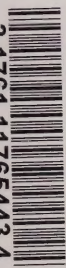


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Nova Scotia Export News

Trade News



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NOVA SCOTIA

EXPORT NEWS

Exporting to the Netherlands

For centuries, the Dutch have been known as traders—and they continue to live up to their reputation. Today, more than half of everything consumed in The Netherlands comes from outside the country (compared to about one-quarter in Canada and only 5% in the U.S.). More and more Nova Scotia companies are discovering the benefits of exporting to this prosperous, compact nation of 14 million people.

METOCEAN was established five years ago and now has 26 employees and annual sales of about \$2 million, including export sales to seven countries. The company sold its first drifting buoy to the Netherlands Meteorological Institute last November—after winning a competitive bidding process—and is “looking forward to many more contracts there,” according to Sylvia Rudderham, METOCEAN’s marketing and contracts administrator.

member the trading reputation of the Dutch.

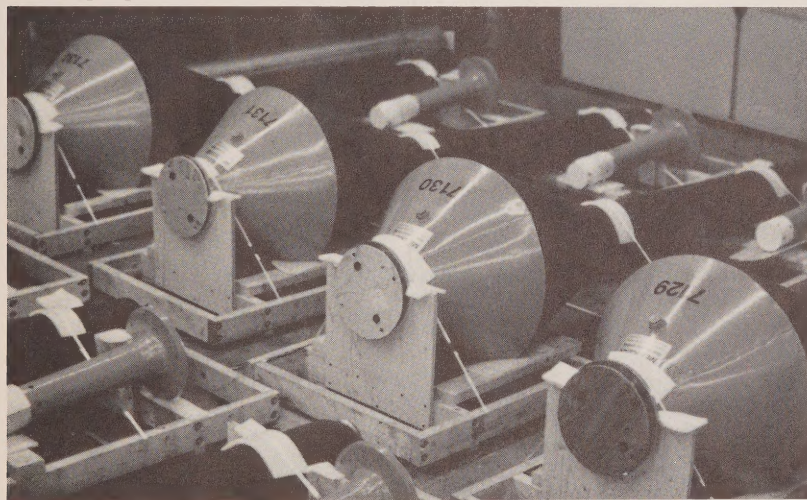
“They are *very* tough businesspeople ... they’re fair, but they’re sharp,” says Wilmot, whose company has been exporting frozen blueberries to The Netherlands for the past 15 years. He stresses the importance of offering a competitively-priced product when trying to sell to the Dutch. He also underlines the need for personal contact, and recommends attendance at trade fairs in particular.

Oxford Frozen Foods and METOCEAN export products in two sectors—food products and advanced technology—in which the prospects for increased sales to The Netherlands are “excellent and improving,” according to Canada’s Department of External Affairs. The other sectors on External’s 1989/90 list of priority areas for export promotion in The Netherlands are forest products and equipment plus defence products—sectors in which Nova Scotia firms are well represented.

The Department of External Affairs is bullish on Canada’s overall prospects for increased exports to The Netherlands. The department’s Trade and Economic Overview for 1989/90 cites “a remarkable increase in Dutch enquiries for Canadian goods,” due to factors such as the sizeable increase in value of the Dutch guilder versus the Canadian dollar over the past three years.

Kathy Patton, desk officer at External Affairs headquarters in Ottawa, points to a less tangible, but no less important, reason why the Dutch look favorably on Canadian products.

Continued on page 2 ...



METOCEAN now sell their drifting buoy to the Netherlands Meteorological Institute.

METOCEAN Data Systems Ltd. of Dartmouth is one such company. One of METOCEAN’s products is a high-tech oceanographic instrument known as a drifting buoy. The buoy is deployed in remote offshore waters and transmits meteorological data, plus the buoy’s current location, to an orbiting satellite for relay to shore-based weather stations.

Rudderham says that METOCEAN’s Dutch client “made it easy for us to do business with them,” and notes that English is widely spoken in The Netherlands.

Loring Wilmot, marketing manager at Oxford Frozen Foods, agrees that there are few barriers to doing business in Holland. But he advises companies thinking about exporting there to re-



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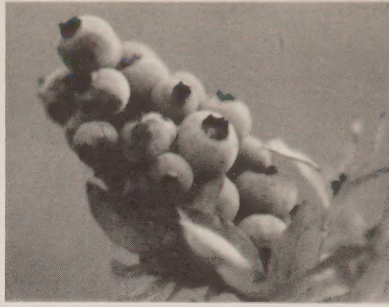
AUTUMN 1989

Continued from page 1 ...

"The Dutch have a very warm feeling for Canadians," she says. This stems in part from the fact that the Dutch royal family lived in Canada during the Second World War, after The Netherlands was occupied by the Nazis. Queen Beatrix, the current monarch, was a young member of that family in the 1940s. This link between Canada and The Netherlands was strengthened by large-scale Dutch immigration to Canada in the post-war years. The result of the "warm feeling" of the Dutch towards Canadians, according to Patton: "Canadian companies get very good treatment in The Netherlands."

One factor facilitating exports from Nova Scotia is KLM's new twice-weekly nonstop flights from Halifax to Amsterdam. These flights are of particular interest to anyone exporting perishable or time-sensitive goods.

Gerald Risser, president of Risser's



Oxford Frozen Foods have been exporting Nova Scotia blueberries to the Netherlands for the past 15 years.

Lobster Pound of West Dublin, is one KLM customer. His company will send as much as \$300,000 worth of live lobster to The Netherlands by air this year.

The Netherlands is often referred to as the gateway to Europe. Thanks to its location, its excellent transportation network (which includes the port of Rotterdam and Schiphol airport) and

the trading acumen of its people, the country has become a major European marketing and distribution centre.

With the impending removal of all remaining barriers to the free flow of goods and services among the 12 countries of the European Community (to be completed by the end of 1992), The Netherlands is billing itself as Canadian companies' gateway to a European market of more than 300 million people.

Kathy Patton of External Affairs describes The Netherlands as "a wonderful place for distribution to the European Community," and points to McCain Foods as one company that has already taken advantage of this opportunity.

Nova Scotia firms thinking about trying to gain a foothold in the European market in time for "Europe 1992" would do well to consider The Netherlands as their first step. ■

The Canadian Exporters Association in Nova Scotia

When it comes to exporting, the waters can be hard to navigate and an experienced hand is a welcome sight. Such a hand in Nova Scotia is the provincial chapter of the Canadian Exporters' Association, C.E.A.

"We are not consultants but we will steer a company to the consultant route

be in trouble," says Stinson, a lawyer with the Halifax-based law firm of MacInnes Wilson Flinn Wickwire.

Stinson feels the organization is an important "umbrella group" for any exporter and believes a growing number of companies are beginning to realize the potential of the export market.

... a growing number of companies are beginning to realize the potential of the export market.

if they need to be, and a lot of that type of information is in the kit companies receive when they join the association," says Ross Stinson, chairperson of the provincial chapter.

The provincial chapter, which also extends into Prince Edward Island, was established eight years ago and the focus of the group has been constantly evolving.

"In the business world companies, and the organizations they belong to, must adjust to the current climate and shifts in trade winds or else they could

The C.E.A. was founded in 1943 and one of the things it does is create panels of experts on a subject, such as free trade, which travels across the country talking to exporters in seminar situations. At each stop a local expert will often be on the panel to put a more focused perspective on the talk. Last year the C.E.A. had four seminars on free trade and how exporters can take advantage of the deal.

Although last year's course was established for educating exporters, this year's path will be on generating inter-

est in a trade mission, to a yet unnamed destination, and attracting new businesses to the association.

"To do this we have to go out and talk to the various boards of trade and chambers of commerce around the province. I also think we should forge stronger links with these groups because there is an overlap in areas of interest and becoming more in tune with each other only makes sense," says Stinson who became chairperson in July when the former chair was transferred to Ottawa.

Stinson plays a double role when working with C.E.A.. He is not only the chair of the local chapter but also a member of an exporting firm. MacInnes Wilson Flinn Wickwire export a service: their legal knowledge to U.S.-based companies who want to deal in Canada.

"The service sector is one area that is often overlooked when people consider exporting, but it is one which has the potential to be very large," says Stinson

Continued on page 3 ...

The U.S. Trade Tourism and Investment Development Program

How would you like to turn a 150 per cent profit? In a sense you already have when you consider that every tax dollar spent on trade fairs and missions to the United States generates \$150 in export revenues. Not a bad investment for your tax money and also a clear sign that many Canadian companies have successfully tapped into the huge American marketplace.

Many Canadian exporting success stories are the result of the U.S. Trade, Tourism and Investment Development Program, administered by the Department of External Affairs.

"It's a program which helps small- and medium-sized Canadian companies take advantage of opportunities flowing out of the Free Trade Agreement," says Bill Clarke, Director General of the U.S. Trade and Investment Development Bureau in Ottawa.

Continued from page 2 ...

who heads up a group within the law firm which concentrates on exporting.

Stinson also hopes to decentralize the local chapter. With the past three chairs based in Halifax, Stinson feels some people may see it as being a Halifax-based association and not a Nova Scotia wide one.

"It is kind of natural to have many of the meetings here because of all the

... it would be nice to get to other parts of the province, into Cape Breton and down to Yarmouth, with some of our events ...

facilities, but it would be nice to get to other parts of the province, into Cape Breton and down to Yarmouth, with some of our events; there's no reason not to," says Stinson.

With Stinson at the helm of the provincial C.E.A. the association should be in for a time of clear sailing with course changes when needed. ■

"The program also helps Canadian firms protect and expand their access into the U.S. market if they are already exporting there," adds Clarke.

every tax dollar spent on trade fairs and missions to the United States generates \$150 in export revenues.

The program is not a new one but was enhanced when John Crosbie, the Minister for International Trade, obtained cabinet approval for a \$57 million five year budget for the program.

A few of the programs funded with this money are trade fairs and missions, satellite offices, directories, seminars, the New Exporters to Border States (NEBS) and the New Exporters to the U.S. South (NEXUS) programs.

"Trade missions and fairs are very important to our exporters," says Bill Clarke

In the past two years the number of fairs and missions being attended by Canadian companies has tripled, demonstrating the effectiveness of this type of marketing.

Continued on page 4 ...

Marketplace 1989

What would you call an event where a company can obtain information on over 35 different export markets?

What would you call a happening that brings together marketing specialists from virtually every region on the globe?

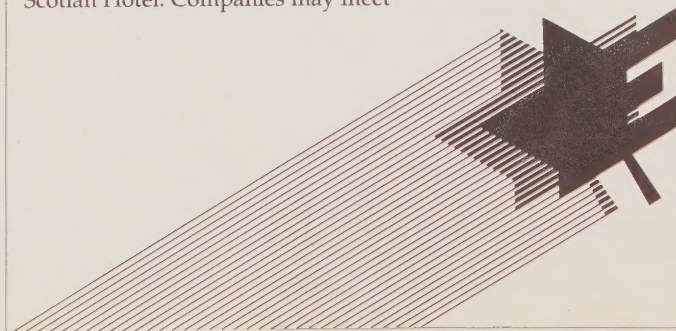
How much would you pay to be able to speak to such experts and acquire their advice?

We call it **Marketplace 1989** and it brings to Nova Scotia approximately 35 Canadian Trade Commissioners from the U.S.A., Asia, Europe, Latin America, and the Middle East. They will be in Halifax for one day only—November 6—at the Hilton Nova Scotian Hotel. Companies may meet

individually with six Trade Commissioners (more if the schedules of the Trade Commissioners permit) as well as with officials from CIDA, the Asian Development Bank, and the African Development Bank. Also, there will be assistance available from the International Trade Centre, External Affairs and International Trade Canada, the Export Development Corporation, the Federal Business Development Bank, and the N.S. Department of Industry, Trade and Technology.

Don't miss this important trade event! Mark **November 6** on your calendar now!

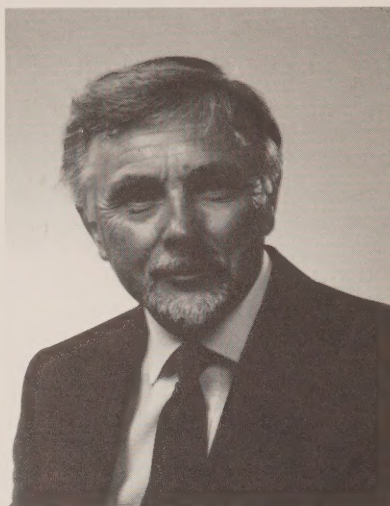
For more information, telephone 426-7543. ■



Trade Potential in the U.S. Pacific Northwest

The U.S. Pacific northwest is a long way from Nova Scotia and, apart from Alaska, evokes only vague images in the popular mind. Yet it's a place that has a potential for East Coast exporters to do business, says Paul Hubbard, Consul and Senior Trade Commissioner at the Canadian Consulate General in Seattle. He points in particular to oceans-related possibilities and the huge Boeing aircraft installation in Seattle and the high-tech spinoff industries it supports.

Some East Coast industries do business there already, and more are showing an interest. The Pacific Ocean is an obvious draw for anyone in oceans-related activities. The American fishery in the northern Pacific is mostly prosecuted out of Washington state, and there is oceanographic activity as well, mostly centred around the University of Washington at Seattle.



Paul Hubbard, Consul and Senior Trade Commissioner at the Canadian Consulate General in Seattle.

The U.S. Trade Tourism and ... continued from pg. 3

The department also has a database of some 22,000 exporting companies and will involve 10,000 of those in missions and fairs by the end of this year's program.

Trade fairs show their worth when one considers that Canadian companies will rack up an estimated \$700 million worth of on-site sales and a projected additional \$1.5 billion in sales within twelve months.

The NEBS program takes about 25 companies at a time through the entire exporting process. The program also discusses export documentation papers needed for goods to cross the border with the least amount of difficulties, one of the basic issues in exporting that changed with the Free Trade Agreement.

The NEXUS program helps exporters who are mainly selling in the northern border states move into the south-

ern states and open up new markets in that region. Approximately 4,000 companies have gone through the program in the past four years.

The infusion of money into the program helped open five new satellite trade offices, bringing the total number in the United States up to 28. The new offices are in San Juan, Miami, Princeton, San Diego and Denver.

"The satellite offices make our representation in these areas much more effective which will also reflect on the success of Canadians exporting into these cities," says Clarke.

The annual directories are divided into economic sectors.

"These directories are our basic tools for getting the information out and they do create a fair bit of traffic between our offices and exporters," says Clarke.

With new satellite offices now in place and the on-going trade missions and fairs, Canadian exporters can't help but realize the new and expanding opportunities south of our border. ■

Indeed, a number of East Coast companies were due to attend two major trade shows in Seattle this fall—Oceans 89 in September, covering marine technology, and Fish Expo in October, an exhibition primarily of on-board fishing equipment (a big item in the Pacific since most groundfish processing is done aboard freezer-trawlers rather than in-shore plants).

The Seattle trade mission covers Oregon, Idaho, Washington and Alaska. These four states have a combined population of nearly nine million people (Washington is the largest with 4.5 million). It's far from the size of the larger population centres of the U.S. but still constitutes a substantial, diversified consumer market, one in which a small exporter can find a "niche" and thrive, says Hubbard.

However Nova Scotian exporters, with other consumer markets handy, are more likely to be interested in supplying industrial inputs. Fishing and other oceans activities are the obvious area, but Hubbard also insists on Boeing and its spinoffs as possible markets. Boeing already has one Nova Scotia supplier—IMP's Aerospace Division of Halifax which manufactures electric wire harness. Boeing is huge. With 110,000 employees and back orders for aircraft of \$60 to \$80 billion it is the lifeblood of Seattle, a city of a half million. It is also the mother of a thriving aircraft-related high-tech industry in the area.

The company is "very difficult to get into, but it can be done," says Hubbard. "They're not interested in people who show up once a year. You've got to show interest. You've got to be here

"... You've got to show interest. You've got to be here and be ready to live to extremely high standards."

Continued on page 5 ...

Business Opportunities Increase with Changes in the European Community

The creation of the world's largest single market through the integration of 12 European economies will lead to enormous opportunities for business, among them Nova Scotian companies who last year sold some \$300 million worth of goods to the European Community (EC). But to cash in, exporters must learn how the swiftly-changing European order is evolving.

But to cash in, exporters must learn how the swiftly-changing European order is evolving.

This message was put forth by speakers at a business briefing September 27 at the World Trade Centre in Halifax. It

was organized by the Netherlands government, which encourages exports to the EC while urging exporters to use the excellent import facilities and business services possessed by the free-trading Dutch.

"1992" has become a catchword for Europe at the end of that year: an economy of 324 million people and a gross national product of \$5.5 billion with the nearly-free movement of capital, goods,

people and government trade officials in attendance heard that such things as national legal systems, currency and

... concerns about a "fortress Europe" with greater, not lesser, barriers against the outside are justifiable ...

the need to label in local languages will remain. For some, especially small companies now selling to one EC country, exporting could in fact become more complicated with the changes. Import duties into the EC will not disappear either. Indeed concerns about a "fortress Europe" with greater, not lesser, barriers against the outside are justifiable, said Jaap Willeumier of the Dutch commercial law firm of Stibbe, Blaise & De Jong, one of five speakers on various aspects of doing business with the EC. Nevertheless, he was confident that "the changes will be to your advantage."

... the Dutch are telling exporters to keep up with events, and even try to influence them through lobbying.

Since the "harmonization" of trade is only half done the Dutch are telling exporters to keep up with events, and even try to influence them through lobbying. European industry will be trying to impose products standards to their advantage, Willeumier said. Since there are a huge number of technical standards and product specifications, even a small Nova Scotia company might have an influence on a spec close to its heart by complaining through

...continued from page 4.

and be ready to live to extremely high standards."

Forest, chemical and petroleum products, industrial and agricultural machinery, transportation and construction equipment and tools and hardware are Canada's main export to these northwest states. The consulate has targeted transport systems and equipment, agriculture and food products, consumer products and services, and construction, high-tech and forestry equipment and services as its promotional priorities for Canadian exporters, in that order, for this year.

Within those large sectors, however, the Consulate's main aim is to assist small and new exporters. This role is

... the Consulate's main aim is to assist small and new exporters.

emphasized more in "border" posts like Seattle, Buffalo and Boston than in others. And although the Seattle post serves primarily exporters from B.C.

services and persons.

The catch is that not all barriers will actually come down. Some 50 business

and Alberta, Hubbard says interest has been growing farther east. "We recently had a big delegation from Ontario and Quebec. Boeing put on a briefing for them."

He says he's waiting for more interest from even farther east. Distances may seem daunting "but anyone who can contemplate Europe can come here." As a first step, he says, "it's a

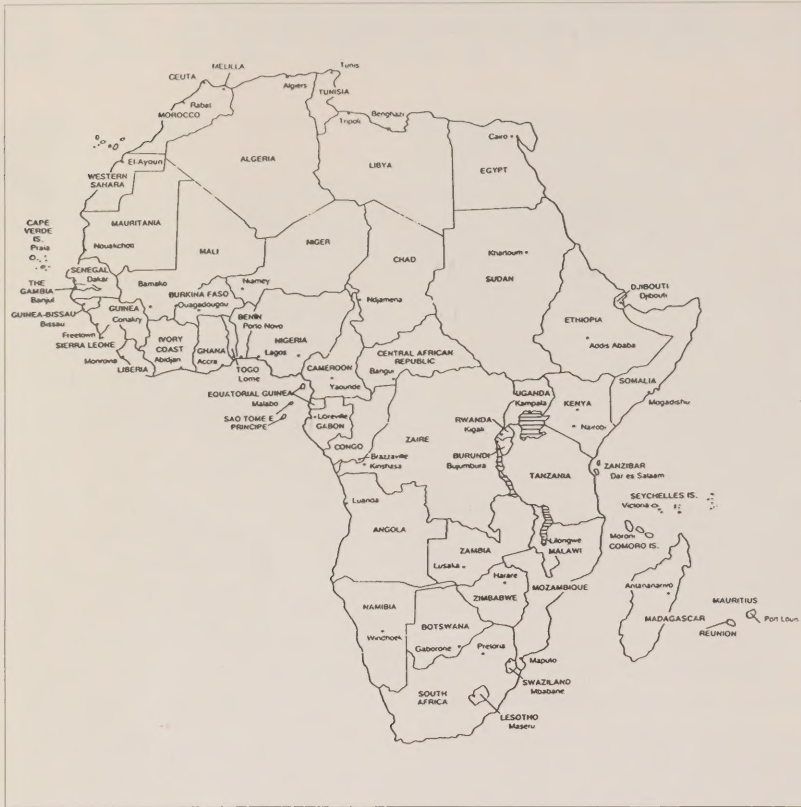
Distances may seem daunting "but anyone who can contemplate Europe can come here."

question of letting us know what you have." After that it's a matter of cultivating markets and "paying attention to your distributors."

Seattle is the largest metropolitan area with over 2 million people; however, Portland Oregon is another major city in the Pacific Northwest, with over 1 million inhabitants. Other centres are: Spokane (344,000) and Anchorage Alaska (523,700).■

Continued on page 6 ...

Business Opportunities in Africa



For many Canadians, Africa means one thing above all else: famine. The haunting pictures of starving children in Ethiopia, Sudan and elsewhere are the only image of Africa they have. But Bernard Dussault knows this isn't the full story.

Dussault, who heads the Africa Trade Development Division at External Affairs and International Trade in Ottawa, says many Canadians make two mistakes when thinking about Africa.

First "we package Africa ... we tend to forget the diversity" of Africa's 50 countries, he says. Second, many people, even in the business community, fail to realize that "there are markets in Africa," says Dussault. The continent's imports last year exceeded \$80 billion.

Dussault brought his message to Nova Scotia recently. He was one of the speakers at a half-day conference on economic prospects and business opportunities in Africa, organized by Dalhousie University's Centre for International Business Studies in conjunction with the ISTC Nova Scotia International Trade Centre.

Continued on page 7...

Changes in the European Community *... continued from page 4.*

government or commercial channels, including its partners or agents in Europe or trade associations such as the Canada-Holland Chamber of Commerce.

The best way to keep up with events is to read the European Commission's white paper on what 1992 is meant to be, and also European "action lists" such as one put out by the British government ...

The best way to keep up with events is to read the European Commission's white paper on what 1992 is meant to

be, and also European "action lists" such as one put out by the British government on how to deal with the changes, said Alfons Schmid of Royal Ahold Ltd., a Dutch food company. (The EC delegation in Ottawa has the white paper; officials at the provincial department of Industry, Trade and Technology or Industry, Science and Technology Canada can help get these documents). Schmid also exhorts exporters who want to keep ahead of the game to cultivate EC trade officials in Brussels.

The sector with the most internal trade barriers already down is food. Packaging, labelling, testing, inspection and so forth are all becoming stan-

Packaging, labelling, testing, inspection and so forth are all becoming standardized ...

dardized, Schmid said. He added that along with the move to integration, other swift changes are occurring, and not just in the food sector—notably concentration. Fewer, larger firms might make selling less complicated for exporters "but they will press you on price."

Gerard van Epen, the Economic Councillor with the Dutch Embassy in Ottawa emphasized Holland's expertise in the distribution of goods in Europe, its central geographical position and its attention to foreign investment through banking, knowledge of languages, familiarity with foreign ways and so forth which make it a natural entry point and place in which to invest. There's a whole infrastructure available to Canadian exporters, he said, "including the professionals you need to talk to before making any decisions." ■

... continued from page 6.

Conference participants heard a series of speakers analyze the bleak economic situation that currently prevails in most of Africa. (Per capita income in most countries is lower now than it was at the start of the 1980s.) But they also heard about the business opportunities that exist in several African nations.

Denis Belisle, vice-president of the Business Cooperation Branch at the Canadian International Development Agency (CIDA), listed a dozen African countries where "the entrepreneurial spirit, the political will and the commercial financial capability exists"

... "the entrepreneurial spirit, the political will and the commercial financial capability exists"

The list includes countries such as Morocco, Ghana, Kenya, Cameroon and Zimbabwe (see map). For Canadian exporters, an added attraction of those countries is that exports to them are eligible for coverage by Canada's Export Development Corporation.

Possibilities for "profitable business collaborations" in Africa lie not only in exporting products, but also in setting up joint ventures and providing technical services to help African companies, said Belisle. He pointed to a New Brunswick company, Connors Brothers Ltd., as one example of a firm that realized that "trade is a two-way street."

With assistance from CIDA's Industrial Cooperation Program, Connors Brothers was hired by a fish processing company in Morocco to assist with their quality control. Connors sent their quality control director to Morocco, and he helped the company improve packaging and other procedures. The objective: increased exports to Europe and North America.

All speakers at the conference emphasized the importance of personal contact when doing business in Africa.

All speakers at the conference emphasized the importance of personal contact when doing business in Africa. Robert Shishakly, vice-president of Black and MacDonald Ltd., a Montreal-based engineering firm active in developing countries, told conference participants that "it's absolutely vital to go there, to get to know the countries and the culture."

To help Canadian companies establish personal contacts, the Canadian government has trade promotion staff at all 14 Canadian embassies in Africa ready to advise on local market conditions and business practices. In addition, government financial assistance is available to help exporters make market reconnaissance trips, attend trade fairs and conduct studies on possible joint ventures.

Canadian companies have a long way to go in tapping Africa's markets: Canada accounts for only one per cent of all exports sold in Africa by the major Western economic powers.

Despite the geographic distances and cultural differences to be bridged in

exporting to Africa, Canadian firms do have some advantages. Canada is linked to most African nations through either the Commonwealth or La Francophonie, and the languages of business in Africa are English and French. What's more, Canada is widely respected for the leadership it has shown on the South

... the languages of business in Africa are English and French.

African situation and foreign aid issues.

For most Canadian companies, entering an African market for the first time is likely to be a long and difficult process. But according to CIDA's Denis Belisle, private-sector partnerships between Canada and developing nations are both essential for the development for the Third World and in the best interests of the Canadian companies that seize the available business opportunities. ■

List of Export Publications Recently received at ITC Halifax

- Report on the 1989 Boston Seafood Show
- Guidelines for Canadian Fish Exporters—Côte d'Ivoire
- Annotated Fish Product Export Market Opportunities Guide, 1988-89
- Report on Sea Fare International '89
- Guide to Hi-Tech Electronics Trade Shows in U.S.A., 1989-90
- How to Trade with Korea, 1989
- Export Guide—A Practical Approach
- Directory of Canadian Business in Hong Kong, 1988-89
- Communications in Canada—A Sector Overview
- Report on SIAL '88—Europe's Second Largest Food Show

*October is
Canada Export
Trade Month*

*Octobre,
le mois canadien
de l'Exportation*

Nova Scotia Herring to Greece

Christos Diamantopoulos, Commercial Officer, Canadian Embassy, Athens, Greece is shown next to a pallet load of Nova Scotia processed herring destined for his home country of Greece. On the left is Noel Despres, General Manager for Comeau's Sea Foods, producer of the herring. The picture was taken at the loading area of Comeau's Sea Foods in Saulnierville, N.S. adjacent to the company's modern smoking facilities.

Comeau is the largest supplier of these "extra selected golden double smoked herrings" to the Greek Market. They are just one of the more than thirty different herring products produced by this forty-year-old company. The herring undergo a sophisticated smoking process and take on a golden hue during this process. The herring are then packed in eight kilogram wooden boxes, are stacked on pallets and loaded into ocean containers. The containers arrive in Greece about ten days after having left Southwestern Nova Scotia.

Mr. Diamantopoulos was on his first visit to Nova Scotia. His visit here was a familiarization tour of the fishing



Noel Despres, General Manager, Comeau's Sea Foods (left), and Christos Diamantopoulos, Commercial Officer, Canadian Embassy, with a pallet-load of processed smoked herring bound for Greece.

industry. Part of his responsibilities at the Canadian Embassy are to promote the sale of Canadian fish products in Greece. His visit to Comeau was coincidental to the loading of herring for his home country.

Fish processors interested in the

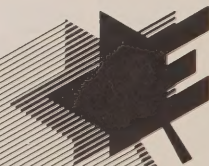
potential of the Greek market for their products can contact Mr. Diamantopoulos directly, at the Canadian embassy in Athens. Contact can also be made at the International Trade Centre, ISTC Halifax, The Brewery, Halifax, N.S. ■



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Canada

October is Canada Export Trade Month



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N O V A S C O T I A

EXPORT NEWS

The Atlanta Consulate

Geographically, the American Southeast could be called the next natural step for Nova Scotia exporters who have already conquered New England. And in order to take that next step they should keep a couple of things in mind, according to Doug Ditto, Deputy Consul General and Senior Trade Commissioner at the Canadian consulate in Atlanta: the large number of major trade shows in the region, and the hi-tech possibilities surrounding the Southeast's many large research centres.

The consulate, with a large staff of 41 employees, also has a satellite office in Orlando, and plans for ones in Miami and San Juan. Together they cover Georgia, Florida, the Carolinas, Tennessee, Alabama, Mississippi, Puerto Rico and the Virgin Islands. It's an area of some 40 million people, with 13 cities over 500,000 population, to which Canada already exports over \$6 billion worth of goods annually. There's a potential for a lot more, says Ditto, especially with the advent of free trade.

Unlike the U.S. Midwest with its con-

servative tastes, or fad-crazed California, the Southeast has no specific "market personality." In fact it embodies both tendencies—from trendy Florida to the Old South outlook of places like Alabama and Tennessee, with a large in-between. Add to that the fact that this is the "sunbelt" which has been experiencing phenomenal new growth as northern industries drift south and you have an area where virtually anything is possible in terms of export sales.

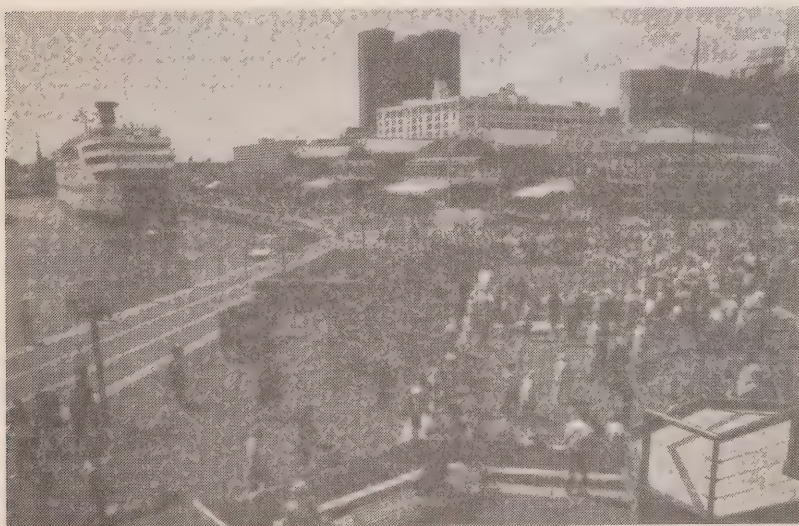
The consulate has been emphasizing the large potential in high technology, a lot of it linked to space and the military (there are some 60 major U.S. defence contractors in the seven states). There's a concentration of advanced research in such things as biotechnology, telecommunications and pharmaceuticals around Raleigh and Durham in North Carolina. There's the Marshall Space Centre plus some large defence installations at Huntsville, Ala. There's also the Florida "space coast" from Orlando down which includes the Kennedy Space Centre, the large NASA base and ten or so large, space-linked high-tech contractors.

Another area is the south coast of Mississippi around Biloxi and the John C. Stennis Space Centre, which has a concentration of oceanographic excellence. Then there's Georgia Tech which combines engineering and science research, plus lesser centres such as the Oak Ridge National Laboratory near Knoxville, Tenn.

All of these are "heavily oriented towards research and application," says Ditto, who adds that an endeavor such as the space program "need not be narrowly defined." It includes such things as oceanography—a potential there for Atlantic Canadian expertise. "A lot of oceanography is done from space these days."

In mid-May the consulate brought together 25 Canadian companies plus representatives of various interested government agencies together with NASA, Department of Defence and American high-tech companies for a symposium intended to stimulate two-way business—Canadian exports and American investment in Canada—in such fields as remote sensing, oceanography,

Continued on page 3 ...



Sea Sell '89 visits Baltimore, Maryland.

Sea Sell '89

Canada's largest tourism and trade show, *Sea Sell '89* took place April 14-23 leaving and returning to Halifax, via Providence, Baltimore and Boston.

Under *Sea Sell '89*, the Tourism Industry Association of Nova Scotia chartered the M. S. Scotia Prince from Prince of Fundy Cruises Limited, for a series of marketplace promotions targetted to U.S. markets in the New England and Mid-Atlantic States. Approximately 400 representatives from the Atlantic Provinces, including tourism suppliers and operators, participated in professional development seminars prior to and during the trip, to assist them in identifying the needs of international buyers, and prepare effectively for the packaging, marketing and selling of their products.

Continued on page 4 ...



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SUMMER 1989

Exporting to West Germany

It's an overseas market just waiting to be tapped. After all, it's the world's fourth-largest economy and business can be conducted in English virtually everywhere. Yet it accounted for only 2.3 per cent of Nova Scotia's exports last year. "It" is West Germany (formally, the

Federal Republic of Germany), whose economic miracle over the past 40 years has propelled it from devastation to the strongest economy in Western Europe.

Nautical Electronic Laboratories Ltd. (NAUTEL) is one Nova Scotia company that has recently begun to tap the lucrative

West German market. NAUTEL produces ground-based radio beacon transmitters, which it has sold for use as navigational aids by airplanes in more than 60 countries around the world.

Earlier this year, the Hackett's Cove-based company sold its first navigational beacon in West Germany, and marketing manager Bob Perry says he thinks the company will have exported about \$400,000 (U.S.) worth of beacons by the end of 1990.

Was it tough doing business with the West Germans? Not at all, says Perry.

"It was easier to deal with them than other European countries we sell to," he says. "They're very businesslike."

NAUTEL sells its beacons via the major German manufacturer of navigational aids, Standard Elektrik Lorenz AG, NAUTEL's exclusive agent in West Germany.

Ed Shelly, deputy director of the Western Europe trade and investment division at the Department of External Affairs in Ottawa, also sees potential for increased Canadian exports to West Germany. But Shelly says potential exporters should know how business is done in West Germany. It's not always the same as in Canada.

"Trade fairs are much more important there," he says. The fairs tend to be very large and attract exhibitors from all over the world. Deals are normally concluded right at the fair, rather than back in an office, says Shelly.

Shelly says that the trade commissioners at Canada's three West German offices (in Bonn, Munich and Dusseldorf) can help exporters decide which fairs to attend, and provide other helpful tips—for example, take lots of business cards when you go to West Germany, because business people at trade fairs are often reluctant to talk until they know "officially" who you are.

Fish and food products are potential growth areas for Canadian exports to West Germany, says Shelly. Fish and fruit accounted for 57 per cent of Nova Scotia's \$49.4 million worth of exports to Germany in 1988, with fish the top at about \$19 million.

Clearwater Fine Foods Inc. is one of the companies exporting fish products to West Germany. Clearwater spokesperson Stephen Greene says the company sells more than \$1 million worth of lobster there annually. When it comes to a consumer product such as fish, Greene stresses the importance of face-to-face dealings with potential buyers in Germany.

"You've got to go there physically," Greene says. "We deal directly with restaurants, supermarkets and wholesalers." Clearwater has also exhibited at several trade fairs in West Germany, he says.

Product Differentiation

Frank Perdue may well be the richest farmer in the world. His company, Perdue Farms Inc. grosses more than 150 million dollars a year. Not bad for a chicken farmer from Maryland. Perdue's business method was simple but brilliant. His chickens were the best—top quality—and he let the buying public know it. After years of promotion, the red and yellow Perdue label has come to be synonymous with quality chicken. Frank Perdue is a genius of product differentiation.

Product differentiation—most marketing textbooks barely give it two pages. But the concept is an important one for business people to understand—there's no better way to beat your competition than to make your product stand out from the crowd.

"Which do you prefer—Coke or Pepsi?" asks Dalhousie business professor Neil Maddox. "To me they're both just black liquids with bubbles in them." Somehow though, the two soft drink giants have mastered the technique of taking a similar product and differentiated it clearly in consumers' minds. "Anything that sets your product apart is product differentiation," says Maddox. "Aspirin and ASA have essentially the same ingredient, but Aspirin costs more. To many consumers, higher price means better quality, therefore, the product is differentiated."

Nowhere are the subtleties of product differentiation more felt than in the seafood industry. A fish is a fish, right? Not according to National Sea Products and Clearwater. Both seafood companies get their product from the same place. It's what they do with that product after it's in the boat that differentiates them from each other and from their other competitors.

"The classic issue in the fish business is species," says Tom Morse, director of product development at Clearwater. "No one cares what species of chicken they're eating but they do care about the type of fish. Someone in the world according to Garp decided that cod and haddock were

good quality whitefish while pollock is considered inferior. Consequently, pollock commands a much lower price in the marketplace, even though it's essentially the same fish."

"There are two main ways that we in the seafood business try to differentiate our product," says Morse, "with quality and with packaging. We at Clearwater have defined what fresh lobsters are internationally. Our goal is to do to lobster what Perdue did to chicken. We want consumers to be aware that they are not simply buying a lobster but a Clearwater lobster. Eventually we hope to develop a brand that will last right until the lobster is put on the table." Clearwater is also marketing a whole line of packaged fish products.

"It's difficult to differentiate seafood because it's essentially a commodity," says Ron Whynacht, vice president of corporate planning at National Sea. "One product that we're trying it with is cod fillets. Fillets have traditionally been an ingredient. We're introducing a new line called Simple Serv North Atlantic Cod fillets. The differentiating factor is exact portion control."

The best way to differentiate a product is to develop what Whynacht calls "a significant point of difference". That point of difference could be as simple as ketchup in a squeezable bottle, but it must strike a cord of familiarity with consumers. "One company I know of is marketing a microwave milkshake," says Whynacht. "That's a difficult concept for consumers to accept because people don't associate milkshakes with microwaves. Squeezable bottles, on the other hand, have some basis of acceptability in people's minds."

The key to product differentiation is good marketing research. Find out what consumers want or need and find a way to fill the niche. Whether it's better packaging, a different price or a higher quality product, product differentiation is the best way to make your business stand out from the crowd. ■

—Tom Mason

External Affairs' Ed Shelly agrees with the importance of marketing trips. He advises companies interested in the West German market to "look at Germany as a three-to-five year push," and to go there at least once a year to do the initial market reconnaissance and then seek out customers.

Any company that follows Shelly's advice and undertakes a three-to-five year marketing effort in West Germany is going to feel the effects of what has come to be known as "Europe 1992." This is the planned removal of all remaining barriers to the free flow of goods, services, people and capital among the 12 countries of the European Community (EC), leading to a single European market by the end of 1992.

The Canadian government's official position on Europe 1992, as stated in a May 1989 briefing paper from External Affairs, is that "Canada welcomes the European Community's move to complete its internal market... the integration of the market will offer Canadian companies new trade opportunities." For example, the harmonization of technical product standards in the 12 EC member countries will mean that a Canadian exporter whose product is approved in one EC country will be able to sell it in the other countries without further paperwork. In addition, the increased prosperity that is expected to stem from liberalized intra-EC trade should increase the EC countries' demand for products from outside the Community as well.

However, some business groups have expressed concern that the EC may increase trade barriers against products from outside the Community at the same time as it reduces barriers to trade within the EC, creating an economic version of "Fortress Europe." That threat may be curtailed though at the current Uruguay Round of negotiations under the General Agreement on Tariffs and Trade.

In anticipation of the changes due to take place before the end of 1992, companies interested in tapping the rich West German market, or the wider EC market, would be well advised to get a foot in the door as soon as possible. ■

—Jim Houston

Free Trade Bulletin Business People Entering the United States

Export sales require more than high-quality products with competitive price tags. They demand a good sales network and, perhaps most important of all, reliable after-sales service. Free trade conditions require that goods, services and investments be treated without discrimination, and that the people making the sales, managing the investments, and providing services should be able to more easily cross the Canada-U.S. border.

For these reasons the Canadian and U.S. governments have agreed on reciprocal rules that will allow business travellers freer access to each other's markets.

Business Visitors, that is Canadian citizens who visit the U.S. to conduct business for their Canadian company and receive remuneration from their Canadian

employer, may qualify to enter the U.S. temporarily to engage in commercial activity of an international nature on behalf of a company located in Canada. Acceptable activities include sales and purchasing, after-sales service, research and design, manufacture and production, marketing, distribution, and general service. Business Visitors may apply for admission to the U.S. at any point of entry and may be requested to provide proof of the type of business activity in which they are involved. No fee is payable for the application. While Canadian citizens do not require a passport, they must show proof of citizenship. Drivers' licenses are not acceptable.

Further information can be obtained from the U.S. Consulate General in Halifax (429-2480). ■

THE ATLANTA CONSULATE

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satellite imagery, artificial intelligence, computer graphics and so forth. Ditto says he hopes to do something similar purely on oceanography this fall.

As for opportunities in other fields, Ditto underlines the abundance of trade shows in the region as a ready-made platform from which to work the market. Atlanta is second only to Chicago for the amount of national trade show activity in the U.S. The World Congress Centre for example, which is near the consulate, has "at least two trade shows a week." Some are huge, like a recent show on clothing, textiles and advanced materials which drew up to 60,000 people. There are some in other places as well. There's the Miami International Boat Show, for example, which drew some 200,000 people in February.

Trade shows are a large part of the Atlanta consulate's strategy. Trade offi-

cers—who specialize in consumer goods, foodstuffs, manufactures, machinery, telecommunications, computers, defence, automobiles, tourism and so on—work these shows. Says Ditto: "We work them very diligently in making connections between Canadian exhibitors and local companies."

Ditto has a straightforward piece of advice for potential exporters to the area: get plugged in to the appropriate trade show. The Atlanta consulate or its satellites can steer you to it. "Shop the trade shows. Most are national in scope and give a very good overview of the entire U.S. market." Next, he says, "assuming you got your feet wet in New England and Central Canada, get a distributor or agent and exhibit in the show."

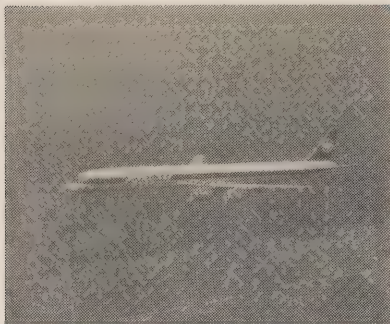
He adds that "we're most anxious to give Nova Scotia firms special help in tackling the Southeast market." He mentions oceanography and remote sensing equipment in particular, but also software, salt fish (for which there is a large Hispanic market) as well as the huge business in pleasure boats. "We're putting a great deal of attention on boats. We had a great deal of success last year. We're burning a lot of midnight oil helping Canadian firms capitalize."

Ditto adds that one of the consulate's goals is to stimulate business through the possibilities newly opened by free trade and in the process to transfer technology—to find technology in the Southeast states that can be transferred to Canadian companies. ■

NEXOS

No, it's not a new Greek god! NEXOS is the short form for New Exporters to Overseas, a program of the Department of External Affairs aimed at small and medium sized companies that are already exporting (probably to the U.S.) and are now looking at expanding to Western Europe. Companies will be exposed to customs procedures, market access, shipping, labelling, market characteristics, and a myriad of other facets of selling to Western Europe. Plans are being developed to organize NEXOS' in conjunction with three trade shows: Anuga, Equip Auto and Interbuild. ■

Air Canada Cargo Services




Air Canada maintains a fleet of all-cargo DC 8 aircraft to provide overnight service.

The importance of cargo transportation by air has increased dramatically in recent years. Sophisticated marketing and inventory principles of the '80's have placed a new importance on precise and reliable delivery schedules. The days when cargo was regarded as something to fill up the extra belly on an aircraft are long gone.

Air Canada Cargo's route network, alliances, and interline agreements allow it to serve customers in thousands of international centres.

Direct service is offered to 27 cities in Europe, the Caribbean and the Far East. Lisbon and Madrid were added late in 1988 and Nice, Athens, Birmingham, and Zagreb were added in 1989. Further expansion is planned, particularly to the Far East and Pacific Rim areas, to meet customer needs.

Air Cargo enables customers to ship almost anything that will fit through an aircraft door and take it almost anywhere in the world quickly.

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Canada

Upcoming Trade Shows and Missions

Western Europe

Fisheries Inspectors Mission from Italy	Sept. 1989
Offshore Europe '89, Aberdeen	Sept. 1989
ISPO Fall, Munich	Sept. 1989
Anuga International Food Fair, Frankfurt	Oct. 1989
Computer Mission to Nordic Countries	Oct. 1989

United States

Solo Food Fair, Buffalo	Sept. 1989
International Kids Fashion Show, New York	Oct. 1989
Solo Food Show, Cleveland	Nov. 1989
Comdex Fall, Las Vegas	Nov. 1989

Pacific Rim

Converted Wood Products Mission to Japan	Sept. 1989
Specialized Software Mission to Hong Kong	Nov. 1989

Middle East

Education and Training Mission to Saudi Arabia	Sept. 1989
Canada Food Week, Tel Aviv	Oct. 1989
Trading House Mission to Iraq	Oct. 1989

For information on these and other trade fairs and missions, contact the **International Trade Centre**, telephone (902) 426-7540

Publications Recently Received in the International Trade Centre

1. *Update '89: U.S. Industry Steel Market*—a general overview of the U.S. steel industry and the market for Canadian sales to that industry.
2. *Update '89: Computer and Hi Tech Markets in Western Pennsylvania and West Virginia*—includes a summary of leading developments in computer software, advanced materials, factory automation, and biomedical technology.
3. *Report on the Fisheries Mission to Spain*—includes a list of Spanish importers.
4. *Report on the Atlantic Herring Roe Mission to Japan*
5. *Guidelines for Canadian Fish Exporters 1988/89*—separate reports on France and the Ivory Coast.
6. *Report on SIAL '88*
7. *Government Planned Promotional Projects 1989-90 Program*
8. *1992 Implications of a Single European Market*—two parts: Executive Summary and Part I: Effects on Europe.
9. *Exporter's Guide to ASIAN 1989*—a guide to markets in Brunei Indonesia, Malaysia, Philippines, Singapore, and Thailand.
10. *Hong Kong Building and Construction Industry*—building products market penetration survey (prepared by Coopers and Lybrand Assoc.)
11. *Studies in Canadian Export Opportunities in the U.S. Market*—separate reports on: rubber products, drugs and pharmaceuticals, medical equipment, chemicals and chemical products, beauty products.

For copies of these and other trade publications please contact the International Trade Centre, telephone (902) 426-7540.

SEA SELL '89 from page 1 ...

Assisted by federal-provincial subsidiary agreements in the Atlantic provinces, the project provided a unique opportunity to deliver a large scale marketing and promotional program of highly targetted events aimed at key travel influencers and highlighting the Atlantic Canadian destinations. Activities were targetted at pre-selected U.S. and overseas travel influencer groups, such as tour and motorcoach operators, wholesalers, meetings and incentive travel planners, retail (AAA) travel trade group leaders, media and consumers. ■

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V A S C O T I A

EXPORT NEWS

California Offers Opportunities for the Experienced Exporter

California: it's big (its economy and population are the size of Canada's), rich, glitzy and upscale to the point of decadence. It holds out the promise of the big time and big money. But the advice the Canadian trade office in Los Angeles has for potential Nova Scotia exporters might be compared to the counsel a sober aunt would give to a starry-eyed youngster heading for Hollywood: be careful, California can be rough on the innocent.

The specific advice of Consul and

Trade Commissioner Wally Staples to exporters, especially small ones, is: cut your teeth on another part of the U.S. market first, attend a trade show (it can be arranged through the Los Angeles office), identify a niche for your product, then go for it. And in doing all this, pay special attention to your distribution system.

The first thing for any exporter to know about California, says Staples, is that it's large and diversified and is the most competitive—perhaps ruthless is

the word—market in the U.S. The Pacific Rim countries are very active there, in addition to American producers. That's why, he says, attention to distribution and also supply is a critical factor.

...the advice the Canadian trade office in Los Angeles has for potential Nova Scotia exporters might be compared to the counsel a sober aunt would give to a starry-eyed youngster heading for Hollywood: be careful, California can be rough on the innocent.



Peter Korecki, marketing manager, Polymer International (N.S.) Inc., (centre) accepts a certificate of merit for marketing, awarded under the Canada Awards for Business Excellence, by Rob Russell, Regional Executive Director for Industry, Science and Technology Canada, (l) and Cumberland Colchester Member of Parliament Bill Casey (r).

Canada's exports to California, and vice versa, are roughly at \$5 billion a year and increasing. Natural gas, newsprint, aircraft parts, telecommunications equipment, electricity and office machines are the big export items (computers, fresh produce, aircraft and electronic components are mostly what come back). The most important product from Atlantic Canada is fish, with exports made by big and small companies alike. Mussel sales especially are growing at the moment. Carl Light, the seafood specialist in the 53-person trade mission (the second-largest in the U.S. after New York), used fish to under-

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Industry, Science and
Technology Canada

Industrie, Sciences et
Technologie Canada

SPRING 1989

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score the point about supply. Anyone looking to make a sale without being prepared to follow up—a problem with Atlantic fish exporters in the past—is cutting his own throat, says Light. "The buyer here will say: 'either you're going to sell to me all the time, or not at all'."

Wally Staples has a list a mile long of goods and services that are or could be sold in California. Following are a few categories that might ignite exporter interest in Nova Scotia. In contemplating them, says Staples, one must keep in mind certain consumer habits—the jogging suit is standard weekend wear, people tend to live in their cars and eat on the fly, and everything tends to be upscale.

Food and agriculture

The opportunity is for specialty or gourmet foods, and also for natural foods without additives, generally sold in specialty stores. If you can plug into a diet craze, of which there are many, you'll thrive. For the consumer market, it helps if foods are prepared and microwaveable. "Ease of preparation is a big factor," says Staples. "People here are either on the freeway or in the office, rarely at home." Anything new in food handling and packaging might also have a chance.

Fish

There's a premium for fresh fish, especially for the restaurant trade, but there's a demand for frozen as well.

Computer software and accessories

Software with specific applications and specialized computer accessories can often find a niche.

Pollution control

Toxic waste management, air and water monitoring, environmental consulting and other environment-related services constitute a fair-sized industry open to new ideas and techniques.

Crafts, antiques, giftware, novelties

With a lot of money rolling around, there's a market for high-value, well-made items.



Wally Staples, Consul and Trade Commissioner, Canadian Consulate General, Los Angeles

Toys

With as many working mothers as in all of Canada, there's a demand for educational toys and games in particular

Sporting goods

The opportunity is for equipment for outdoor sports: boating, surfing, cycling, jogging, etc.

Clothing

Clothing in California is mostly sportswear, a lot of it in large sizes—obesity and the soft climate seem to go together.

Mining

Like Nova Scotia, California has been reworking old gold mines. There's also coal mining. There's therefore an opening for new mining technologies or ideas.

Military production

California gets one third of all U.S. defence contracts. Canadian firms do a large amount of subcontracting in aircraft sub-assembly, electronics, etc. The trade office has a sub-office dealing with military production near the Los Angeles airport.

The Los Angeles trade office, which also covers Arizona and other parts of the U.S. southwest (there's also a Canadian trade office in San Francisco which covers northern California and other parts of the west), is involved in some 50 major trade shows a year, a dozen of them international in scale. These shows are the mechanism through which any would-be exporter should make first contact, says Staples. "Come to the show, not to exhibit at first, but to get an idea of competition, prices and the kinds of distribution channels being used. You'll meet distributors at the show just by being alert and introducing yourself. You'll also meet other Canadians who might have gone the same route. The name of the game is networking—picking the brains of knowledgeable people. From there, you can get to work on your distribution."

Meanwhile, he emphasizes, before you ever get there it's useful to have dipped your toe elsewhere in the American market, especially for exporters at such a great distance as Nova Scotia. The competition in California can be a shock to the uninitiated.

The trade office's address is 300 South Grand Ave. Los Angeles, California 90071. Phone: 213-687-7432, or contacts can be made through the International Trade Centre in Halifax (426-7540).■

—Ralph Surette

New Exporters Mission Slated for April

The International Trade Centre of Industry, Science and Technology Canada, in co-operation with the Nova Scotia Department of Industry, Trade and Technology, is once more taking a group of potential exporters to Boston on a New Export-

ers to Border States mission. The mission, scheduled for April 12-14, 1989, offers potential exporters a crash course in exporting.

For further information, call Ed Kendall at 426-9957.■

New Exporters to U.S. South Program Available

New Exporters to United States south, or NEXUS, is a new program which has been developed to lead Canadian exporters, who traditionally do business in the northern U.S., into expanding their trade activities farther south in the states.

"The program is intended to help firms identify what areas, in addition to their traditional markets, are appropriate for their expansion," according to Senior Trade Commissioner Doug Rosenthal of the Halifax International Trade Centre.

"Nova Scotia companies might look to an area such as Cincinnati, for example, which has market characteristics similar to Nova Scotia. It's not a trendy market; consumers are looking for durable, high quality, competitive goods and the area has a strong industrial base and its own distribution network."

Exporters are realizing that the U.S. is made up of several regional markets, and that different approaches are needed in various areas, says Mr. Rosenthal. "Most fish distribution used to be handled out of Boston, whereas now other markets such as Chicago or San Diego—which have their own market preferences—are being satisfied through regional distributors."

NEXUS is modelled after the successful New Exporters to Border States (NEBS) missions, and companies who have "graduated" from NEBS missions to success in the northern U.S. market will likely form a nucleus of NEXUS participants. Companies will qualify for participation in a NEXUS mission if they have demonstrated a sustained and successful marketing effort to the northern states over a number of years. Groups of company representatives in

the same industry sector will be assembled by International Trade Centres.

Since NEXUS participants will be experienced exporters, the missions will concentrate on providing participants with an outline of the market characteristics of the sector in question and a program to gain distribution and sales exposure. Missions might be built around a particular event, such as a trade show, or individual programs could be arranged for each company to introduce them to manufacturers' agents, important contacts in the distribution channel and buyers.

The Halifax International Trade Centre is interested in planning a NEXUS mission in the 1989/90 fiscal year. Company representatives interested in participating are invited to contact the International Trade Centre, at 426-7540. ■

Landing a CIDA Contract

Last year the Canadian International Development Agency (CIDA) awarded thousands of contracts in Canada, worth more than \$1 billion in total. Yet very few Nova Scotia firms obtained—or even bid on—those contracts. For example, in 1987/88 only 23 CIDA contracts for consulting or construction services were awarded to Nova Scotia firms or individuals; in dollar value, these contracts accounted for two percent of the CIDA total.

Most Nova Scotia business people have heard of CIDA, and know that it buys Canadian goods and services to provide as aid to developing countries. But how many people know what that aid really consists of and—of greater importance, from a business perspective—how to land a CIDA contract?

To illustrate the composition of CIDA's aid program, and describe the

Last year the Canadian International Development Agency (CIDA) awarded thousands of contracts in Canada, worth more than \$1 billion in total.

Agency's procurement procedures, we focus on CIDA's activities in one region of the developing world . . . the Commonwealth Caribbean. Nova Scotia's trading links with that region date back to the 18th century, and today our province shares many characteristics with the Commonwealth Caribbean, such as use of the English language and dependence on external trade.

CIDA provides more than \$100 million of assistance per year to English-speaking Caribbean nations. Sectors

receiving CIDA aid include fisheries, port and airport construction and management, water supply, agriculture and highways.

The major Commonwealth Caribbean recipients of CIDA aid in 1987/88 were Jamaica, St. Vincent, Belize and Grenada, with Jamaica accounting for more than one-third of the total. Jamaica is the only Commonwealth Caribbean nation included among the 30 priority countries world-wide where 75 per cent of CIDA's bilateral aid is to be concentrated in the future.

CIDA's emphasis in Jamaica is on rural development, and the priority sectors are agriculture, small-business development and infrastructure such as bridges and small-scale power plants. Projects in health and education are being considered.

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The person directly responsible for CIDA's program in Jamaica is David Chaplin, a senior program manager in the Americas Branch, one of four "geographic area" branches at CIDA headquarters in Hull, Quebec. (The others are Anglophone Africa, Francophone Africa and Asia.) He cites two CIDA projects in Jamaica that have a Nova Scotia connection.

The first aims at strengthening the Jamaican Agricultural Society (JAS), a cooperative of small farmers. Under this project, the Nova Scotia Agricultural College obtained a contract from CIDA to supply management training and other technical assistance to promote the "institutional development" of the JAS.

The second project is the Morant River Mini-Hydro Project, for which JB Technical Services Ltd. of Dartmouth supplied consulting engineering services.

For a firm interested in bidding on CIDA contracts—in the Caribbean or elsewhere—the best source of general information is CIDA's Business Cooperation Branch. It can provide detailed written information about procurement procedures as well as assistance in navigating the bureaucratic maze at CIDA headquarters.

The first step for companies—such as consulting firms and construction contractors—that wish to obtain CIDA contracts for services is to register with CIDA through the Business Cooperation Branch. Companies that wish to obtain contracts to supply *goods* (that range from flour to fish to fertilizer) must register with the Department of Supply and Services; CIDA's Business Cooperation Branch can also help.

Registering a company is generally not a cumbersome procedure. John Jay, president of Nova Port Ltd. in Halifax—which has obtained several CIDA contracts in the Caribbean—describes it as "dead easy." A more difficult, but most important, step in landing a CIDA contract—particularly one for the supply of services—involves a company doing all that it can to ensure that it is placed on the list of bidders that will be invited to bid on specific contracts. This means that a firm must keep up to date



CIDA assists many fisheries projects in the Caribbean. (Dilit Mehta, photo)

on CIDA's ongoing and planned projects, so that it can express specific interest in projects for which it has services to offer.

The key is informal contact with the appropriate country desk at CIDA, or with sector specialists in the Professional Services Branch, says CIDA's David Chaplin.

"The important thing for firms to do is express interest," Chaplin says. "What we [at CIDA] try to do is answer their questions."

A small company interested in obtaining a CIDA contract for the first time might decide that the time and effort needed to maintain contacts at CIDA are more than it can afford. Nova Port's John Jay and CIDA's David Chaplin both advise such companies to consider going into a joint venture with, or becoming a sub-contractor to, another firm that *does* have a "track rec-

ord" at CIDA. CIDA's Business Cooperation Branch regularly publishes lists of firms that currently hold CIDA contracts.

CIDA itself has taken a number of steps to make it easier for smaller Canadian companies to learn about CIDA's activities and procedures. The most recent initiative was the December 1988 posting, on a pilot basis, of CIDA representatives in the federal government's International Trade Centres in Vancouver and Montreal.

Plans for an officer in the Halifax ITC await evaluation of Vancouver and Montreal.

Until that happens, CIDA headquarters will continue to be the focal point for Nova Scotia businesses interested in learning about opportunities in what CIDA terms "the business of development." ■

—Jim Houston

Caribbean is Well-suited to Atlantic Canadian Companies

Ken Whiting can think of any number of perfectly good business reasons why Nova Scotia companies can—and realistically should—consider the Caribbean as a market for their goods and services. And some less than businesslike reasons as well. “Like sun and sand in February,” he laughs.

But the Caribbean’s potential as an export market, Whiting is quick to point out, is no laughing matter. Whiting, a Canadian trade commissioner based in Barbados, came to Halifax recently to meet with would-be Nova Scotia exporters to outline the opportunities available to them in the Caribbean.

The main point he stressed to the steady stream of local businesspeople who lined up to talk to him is that the Caribbean is especially well suited to the small- to medium-sized companies that predominate in Atlantic Canada.

“The Caribbean is a market in which you can find entire countries that have only 7,000 people,” he explains. “The biggest country in my area is Barbados, and its population is only 250,000 people. What that means is that the big guys [large multinational companies] figure it’s too small to worry about, so they generally leave smaller companies alone in this market. And that opens up lots of opportunities for small companies to establish a place for themselves and their products on the islands.”

It’s equally true, he adds, that companies interested in bidding for government contracts or on projects funded by various multilateral financing institutions, will generally not face the intense competition involved in similar projects elsewhere. “They’re mostly small projects,” he says, “but how many Atlantic Canadian companies would be in a position to take on a \$300-million project anyway?”

If the Caribbean marketplace isn’t huge by world standards, it’s one that is generally welcoming to outsiders, especially Canadians. One reason for that, Whiting says, is that the Caribbean’s

infrastructure is not only friendly but familiar as well.

Several of Canada’s chartered banks, for example, have long histories in the Caribbean. The Bank of Nova Scotia actually had an office in Jamaica before it had one in Toronto, and today, Scotiabank—along with the Royal Bank of Canada and the Canadian Imperial Bank of Commerce—maintains a significant presence in the Caribbean. A number of well-known Canadian accounting firms, such as Clarkson Gordon, also have offices there too. To make things even easier, the language of business—“certainly anywhere where there is a tourism industry”—is English.

Nova Scotia’s historical trade with the Caribbean, Whiting says, stands local businesses in especially good stead in the region. “The people in the Caribbean know Nova Scotia and they like to deal with companies from there,” he says.

Although there are still vestiges of the old rum-and-molasses-for-saltfish-and-lumber trade, Nova Scotia’s exports

to the Caribbean today are far more diverse than salted fish (which, in fact, is now considered a luxury product in the Caribbean), ranging from apple juice and processed food products to school furniture.

“We even get our Christmas trees from Nova Scotia,” Whiting says. “They usually arrive with a boatload of PEI potatoes.”

But the potential for Canadian firms in the Caribbean is even greater than simply selling primary produce and manufactured goods. There are also plenty of opportunities for everyone from engineering consultants to high tech manufacturers to become involved in development projects sponsored by Canadian and Caribbean governments as well as by international agencies.

The Canadian International Development Agency (CIDA), for example, was recently involved in a project to upgrade 22 airports in the Commonwealth Caribbean. “Nova Scotia high tech companies were involved in pro-

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Ken Whiting, Trade Commissioner, Barbados, discusses export opportunities during MarketPlace '88 in Halifax.

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viding navigational equipment for that project," Whiting says.

"And Canadian companies have been very successful in winning contracts from the Inter-American Bank [an international development bank, in which Canada is a member and that invests in projects in the developing world] too," he says. He cites one recent \$12-million IAB fisheries project, for which Canadian companies supplied not only the freezing equipment but also the fish tables used to process the fish.

There are also opportunities for Nova Scotia companies to win contracts for projects funded by the Caribbean Development Bank. Although it is the smallest of the multilateral development banks, Whiting suggests that may be a plus for would-be Canadian contractors, since only companies from member countries of the bank are eligible to bid for its projects. "Because this bank is small, the number of countries eligible to bid on jobs is small, and the countries eligible *don't* include either the United States or Japan."

If you'd like to find out more about specific opportunities you might be able to take advantage of in the Caribbean, Whiting suggests you follow "the usual line. Talk to the International Trade Office in the Industry Science and Technology Canada office in Halifax. They're very aware of what's going on and they can guide you in the right direction.

"When it comes down to the nitty gritty, that's probably the time when you'll want to see us," Whiting says of himself and his fellow on-the-spot trade commissioners. In addition to the Barbados office, Canada maintains trade commissioners specializing in the Caribbean in Jamaica, Cuba, Trinidad, Venezuela (for Spanish speaking countries) and Atlanta (to deal with United States-related Caribbean islands such as Puerto Rico).

"There are lots of opportunities out there," Whiting says. "What you have to do is to plug into the [federal government's information and assistance] network, and then get out there and hustle." ■

—Steven Kimber

Seminars Deal with U.S. Customs/ Selling to the U.S. Government

If you manufacture anything from A to Z you may be interested in exporting to the United States and possibly selling to the U.S. Government. Business people from across the province attended two, full-morning seminars in recent weeks to find out if these possibilities are in the cards for their business' future.

The first seminar (Jan. 12, 1989), attended by 110 maritimers, focused on changes to U.S. customs regulations as a result of the Free Trade Agreement, or FTA; the second seminar (on Feb. 2, 1989) focused on selling to the United States government, both were sponsored by the Canadian Exporter's Association and the Department of External Affairs.

One of the main thrusts of the seminar on customs changes was the general rules of origin, or GROs. Lee Noyes, a senior imports specialist for the U.S. Customs Service explained that the FTA has four general rules of origin eligibil-

ity requirements which feature seven interpretive rules. These rules can be found in general note 3C7, in the tariff schedule.

Noyes says that 3C7 discusses the term 'Originating in Canada,' which means "that the product has cleared the hurdles of the FTA and will easily break the red tape and enter the United States. It does not mean, however, 'Country of Origin' as you may have traditionally known that term in exporting circles."

After sorting through semantics like this it is not surprising that Noyes summed up by pointing out that there are several ways of appealing rulings of FTA eligibility.

A \$180 billion pie?

"The United States government has bought everything from bat guano to mechanical bulls, so if you have a product we probably buy it," said Tony Nonan, of the General Services Administration, or GSA, at the seminar on



External Affairs and ISTC spokespersons, U.S. and Canadian Customs officials and a Canadian customs broker discuss changes to customs procedures during a recent Canadian Export Association seminar in Halifax.

February 2.

Also speaking at the seminar was Judy Bradt, from the Canadian Embassy in Washington and Chad Cornell, project director of Government Counseling Limited of Springfield Virginia.

"The United States government bought \$180 billion worth of goods and services in 1987 and the opportunities are there if you want them," says Bradt, who added that "the embassy has several services to offer, and is there to assist you and help your firm see some of that budget."

Under the FTA, Canadian companies can bid on an equal footing with American companies on any U.S. government contract over \$25,000. Before the FTA, the minimum limit was \$170,000.

Cornell spoke about how to get a GSA number, which is like a vendor's number or license to sell and urged companies to get onto the GSA Schedule.

"You have to be on the schedule if you want a piece of the \$180 billion dollar, U.S. government pie," says Cornell whose consulting firm helps companies dig into that pie.

The schedule program provides U.S. federal agencies with a variety of products and services and the ability to order standard commercial items directly from the contractor while still getting discounts associated with volume buying.

One way to find out about what U.S. government agencies are looking for is by leafing through a copy of The Commerce Business Daily, a magazine the GSA puts out each day on government procurement invitations, contract awards and sales of surplus inventory.

The Canadian Embassy has information on departmental budgets, spending plans, contracts awarded and prices paid. They also keep track of changes in procurement policies, industry regulations and have brochures on selling non-defence products to the U.S. government and a government purchasing and sales directory.

"We can also help you get a GSA number, get on their schedule and help you establish a presence in the United States," says Bradt.

A program which the embassy

Shipping to Puerto-Rico and the Caribbean

ACL (Canada) in conjunction with Navieras du Puerto Rico has a weekly service to Elizabeth, New Jersey which connects with the Navieras service to San Juan. This service includes three ports in the Dominican Republic, Haiti, Trinidad

and St Thomas in the Virgin Islands. Service is available for both dry and temperature controlled containers.

Further information can be obtained from ACL (Canada) Ltd. in Halifax—Telephone 425-3711 or from your freight forwarder.



Navieras now provides a Halifax/San Juan link

started a few years ago is hosting a reception, in honor of Canadian exhibitors, during a trade show. The invitations are sent to the Canadian company's ten best U.S. government prospects.

"It's an opportunity to meet with fairly senior government representatives and it often turns out well," says Bradt.

Bradt told of one Canadian company which, at one such function, met with an official "who they previously found impossible to meet and followed up a \$5 million business opportunity."

For more information on selling to the U.S. government or exporting to the United States, contact the International Trade Centre at Industry, Science, Technology in Halifax. ■

—Mark Alberstat

• FAX • FAX • FAX •

If you have recently added a Fax in your office, please inform the International Trade Centre, by calling **426-7540** or sending a Fax to **426-2624**.

Morocco: Now Our Largest African Trading Partner

Canada expects to sell \$75 million in goods and services to Morocco in 1988, making the small Mediterranean country our primary African trading partner, replacing Algeria.

Of particular promise to Nova Scotians could be Morocco's interest in all aspects of the fishery. They're looking for good boats and ships, fish-processing equipment and technology.

However, if you want to do business with Morocco, be prepared to speak French.

Unlike some high profile Muslim countries, whose business languages are English and Arabic, the former French colony has adopted the French language throughout official and professional life—administration, the university, high culture. And business.

Louise Allard Sabounji—Canada's Trade Commissioner in that country—describes Morocco as "a moderate Islamic state". It is more relaxed about Islamic customs and taboos than some other countries. At the same time, she warns, avoid Ramadan—the Muslim holy month—when planning a trade

WIN EXPORTS—How the Trade Commissioner Uses It

Many Nova Scotian businessmen have filled out BOSS or WIN questionnaires to have their companies registered in one or both of these systems. Some of them may have wondered at the detailed information required. It might interest you to know why these questions are asked in the first place.

Trade Commissioners respond to inquiries by simply typing in the product asked for—hence the importance of identifying your products in the same way a customer might ask for them. Since most importers would specify cod, halibut or salmon it would be useless if you were registered as having "seafish". The computer doesn't know that cod is a seafish! It will, however, identify all forms of cod as long as the word "cod" is in the description.

Occasionally, the Trade Commissioner may be asked to identify a specific geographic location—perhaps to facilitate a pool shipment—and then

he will add the appropriate number of letters of the postal code. For example "B" would select all Nova Scotia companies.

Sometimes the number of companies are just too many to be practical. Then we might sort by country of interest. If you didn't fill in any countries the computer assumes you have no interest and you won't be on the final list. Sometimes an importer will want a large company with good financial resources and the Trade Commissioner might sort for companies with sales greater than a specific amount or by the number of employees.

If any section of your WIN registration is blank your company will not be selected if that item is used for sorting purposes.

If you want to update your company's registration or register for the first time, call the International Trade Centre at Industry, Science and Technology Canada—426-7540 or FAX 426-2624. ■

mission. It is a period of fasting during daylight hours, when people tend to a shorter work day.

These cautions aside, Allard Sabounji is unreservedly enthusiastic about Morocco as a place to do business, to travel, to live.

"Morocco is a beautiful country", she is quick to tell you. "The people are warm, hospitable and accepting." She emphasizes that personal relationship is very important to Moroccans, in business as well as private life. "Be prepared for a long appointment", she assures anyone planning to establish contact there.

Morocco is the most modern Arabic country, according to Allard Sabounji. Business and government are committed to continuing advancement through technology transfer. The most successful business overtures will come from companies with the "know how" that will facilitate further economic autonomy for Moroccans. Proposals for joint ventures, selling or licensing of tech-

nology might well provide good opportunities for enterprising Nova Scotia businesses

Where are the best prospects? The Canadian fishery has already caught attention in Morocco: a few years ago, purchases of fishing boats were made from Nova Scotia. Of continuing interest is canola (rapeseed) either as seed or finished product. (North Africans consume an average of 10 kilo of vegetable oil per year, used as an ingredient and also in the cooking process.

Can women do business in Morocco? Definitely, Allard Sabounji assures us. "Just recently, we had a computer consultant in the country—a brilliant young woman, very well received." Many Moroccan women now travel abroad to study, she reminds us, and are becoming well integrated into the business community. Louise Allard Sabounji—who worked with an accounting firm before joining the Canadian Embassy—is a living example of that. ■

—Elizabeth Greenhovens



EXPORTER, CA RAPPORTE | EXPORTS BUILD CANADA

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TRADE NEWS

Trade Promotion Activities in Nova Scotia

NAFTA passage focuses attention on Mexico

Perched atop the North American continent, Canada's attention is rarely focused on the furthest south of the North American countries: Mexico. "South of the border" means the United States not "down Mexico way". For the past two years, however, Canadians have increasingly explored the third partner in NAFTA (North American Free Trade Agreement) as Canadian businesses ponder ways to wring the maximum advantage from the new trade deal.

That attentiveness is reflected in substantial increases in the number of requests for information on Mexico at the International Trade Centre (ITC) in Halifax. The number of companies dealing in Mexico is still small but interest is up and the first initial successes have been achieved.

G.N. Plastics Company Limited has had no trouble doing business in Mexico. The Chester based manufacturer of thermal forming equipment has sold six or seven units to Mexican companies and maintains an on-going relationship to service the machines which turn out plastic boxes that are used extensively for packaging food, particularly baked goods.

Engineering manager, Jerome Romkey, says G.N. Plastics started exploring the Mexican market a few years ago. He can't remember which came first: their first sale, or participation in a government sponsored trade mission. He credits most of their sales, however, to advertising in industry trade journals . . . and a great product, of course.

Arranging financing has been one of the greater challenges in the Mexican market. Much of the financing has come either from Mexican government programs or through the Export Development Corporation (EDC). Financing can take time. "It's not like selling into the U.S.," he notes, "you have to wait. We have a unit on the dock right now, waiting to be trucked as soon as the financing is arranged."

Would-be Nova Scotian exporters to Mexico can take advantage of several government-sponsored programs. Mirroring the very successful NEBS (New Exporters to Border States) program, NEWMEX (New Exporters to Mexico) has been created to help companies explore Mexico. An important difference, however, is that NEWMEX participants must first complete a two-day GeoFITT course on Mexican trade.

GeoFITT is part of the program offered by the Forum for International Trade Training (see article in this issue) and was successfully offered in Toronto this fall. If there are enough interested companies in the Atlantic region, the International Trade Centre plans to offer GeoFITT in the spring of 1994 for \$950 per person. Companies should contact Marjorie Shaw to learn more about the course.

The federal government is organizing a massive Canadian solo show for March 21-24, 1994 in Mexico City. The multi-sector show will be heavily promoted, including 100,000 mailed invitations and a publicity blitz on radio and newspapers. The promoters expect to bring 500 Canadian companies to the show and are offering a cost-sharing fee of only \$950 for a package that includes one return airfare, a fully furnished booth, and two-way shipment of display products and literature.

For Nova Scotian companies that are interested in participating, the provincial Department of Economic Development is considering a trade mission to the show. This would be their third trade mission to Mexico in two years.

Contact: Marjorie Shaw, ITC 426-6658 or Don Robertson, DED 424-4211

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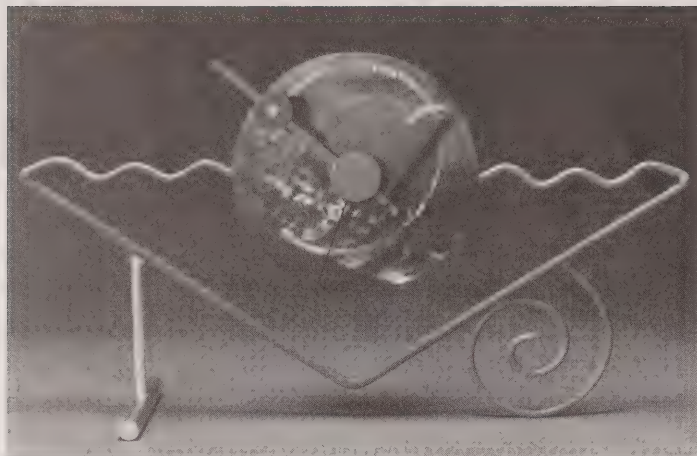
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The mantle clocks designed by Artrage Studio, Halifax, are a hit with the Japanese.

JETRO makes the difficult Japanese market easier

The Japanese market, world-famed for its difficulty, has become one of enormous promise for Alan Syliboy, thanks to a program organized by a non-profit Japanese organization dedicated to the improvement of trade and increase of imports. Red Crane Enterprises is one of 20 companies whose entry into the fiercest of the Asian Tigers has been smoothed by JETRO.

JETRO (The Japan External Trade Organization) has been in operation since the early 1970s but has only recently been brought to Nova Scotia. Fred Were, Executive Director of the province's Trade and Technology Division, visited the JETRO office in Ottawa and persuaded them to send their buyers in Montreal to Nova Scotia. Despite some initial scepticism, recent missions to and from Nova Scotia have proven very successful and according to Peter Giffin, the Trade Development Officer in charge of the JETRO program, "They now do more business with us than with Quebec."

Syliboy took part in the first JETRO trade mission to Japan. Like the other companies chosen to go on the trip (Grohmann Knives, Trail Blazer Saw, Water Power Products, Ewe-Wear, and Harmony Classics), his products were pre-qualified by a visiting JETRO specialist who greatly admired his native-designed shirts, cards and prints. The 12-day trip to Japan and the trade fairs in which he took part left him very impressed with the potential for the Japanese market and left Japanese buyers very impressed with his artwork.

When he returned to Canada, Syliboy pursued

the market with the advice of friends and located an agent who has since secured the first orders for Red Crane Enterprises. He really enjoys doing business with the Japanese who pay promptly and accept shipments from him f.o.b Truro. This taste of exporting has left him with an appetite for more and he anticipates that the greatest future for his business may well lie abroad. He heartily recommends using an agent. "The agent is the difference. It would be very difficult without one. You need someone there who knows the market and will make the calls for you."

Katherine Evans participated in the same trade mission that Syliboy went on. But she took a slightly different attack on the market. Her well-established Middleton company Ewe-Wear makes a wide variety of items out of sheep skins. She took mostly novelty items and stuffed toys with her to Japan, expecting that the Australians and New Zealanders would be hard to compete with on slippers and clothing. She found, however, that it was her slippers — better made than those from the Southern Hemisphere — which attracted the Japanese attention.

In the wake of that first major mission, there have been half a dozen groups of specialists visiting Nova Scotia. Typically, they come to the province for a day or two and visit about ten companies selected by the Trade Development Centre as likely to suit their interests. They buy samples of the items they like and return to Japan with them where they are entered into the travelling trade shows organized by JETRO for Japanese importers and buyers. Most of the items selected so far have been for the leisure and consumer markets.

Artrage Studio in Halifax has had four items chosen by the visiting specialists: two for the furniture show and two for home goods. Their furniture is quite a departure from the wooden Windsor chairs made by traditional Nova Scotia furniture companies. Christopher Joyce's post-modern steel and wood construction was appreciated for its simplicity, clean uncluttered design, and classical fluidity, he says. There's no question the Japanese liked it, as well as the coffee table made from a bus steering wheel and the two mantle clocks. They'll go on sale in October.

The link between all these products and companies is quality. The Japanese are impatient with anything shoddy and expect their products to be the best available. Three more groups of JETRO specialists have evaluated Nova Scotia's prospects in the giftware, construction materials, and fashion sectors.

Contact: Peter Giffin 424-4212

Try a little business, down Mexico way

When the Mexican government needed information on U.S. trade they called on a group of researchers and advisers at Dalhousie University in Halifax, Nova Scotia, Canada. Not perhaps the most obvious choice. Brian Russell, director of the group, thinks they offered a good combination: "We were more objective than Americans and more informed than Mexicans." That work has since spawned more contracts with major Mexican businesses anxious to know more about their new trading partners to the immediate north.

The North American Policy Studies Group, located on the Dalhousie campus but an independent entity, engages in continuing research on North American policy. They then sell that research and advice about it to governments, businesses and non-governmental organizations that need to know about our giant neighbour to the south. Most of their clients, Russell says, are not local: the Ontario government, the World Bank, External Affairs, the Royal Bank, and the Government of Mexico, for example. They advise on international trade and economic development policy.

Having been involved in the Mexican market for two years during which time he has visited there six or seven times, Russell is also well suited to advise companies interested in entering the Mexican market. He advises:

- Do your homework on Mexico before you go. Read about its history and culture. Consult with people who have been there or have access to information, such as the people at the International Trade Centre in Halifax or the Embassy in Mexico.

- Don't expect to make a sale the first time you go. You must be prepared to make an investment and a long-term commitment. It took the North American Policy Studies Group nine months to make its first sale.

- Although it is not essential to speak Spanish, most business people speak very good English, an effort to learn the language is always appreciated and it will make getting a taxi or ordering a meal outside the boardroom much easier.

- Personal relationships can be very important. While socializing is not a necessary part of making a business deal, if you are invited to a social event it is a clear indication that "you are on the way".

- Mexicans work an uncommonly long day, longer than most Canadians: starting at breakfast meetings at 7:30 and continuing until 8:00 or 9:00 at night. They do take a slightly longer lunch break than Canadians, but siestas are uncommon. As for sophistication, most senior business people have been educated in the U.S. and at its best universities. They are not going to be overly impressed by your Canadian worldliness.

- Be aware of the demographics of Mexico. It is a very young country. Most senior people in government and business are in their late 30s and early 40s, and 65 percent of the population is under 25! This can mean a fast growing consumer market in the next ten years.

- Pay attention to the details. Seemingly small legal requirements, for example document notarization, can delay contracts and payments for months.

- Don't write Mexico off because of its great distance away. Would you do business in Edmonton, Russell wonders? Well, Mexico is no further away than Alberta; and, he notes, there may be fewer trade barriers. There are now very good flight connections to Mexico thanks to Air Canada's new acquisition of Continental. You can fly on a single ticket from Halifax to Newark on Air Nova; and from Newark to Mexico City on Continental. Or you can fly through Toronto on Canadian Air. There are also connector flights on Air Mexico or American Airlines. Tickets, Russell says, start at \$700: not an enormous investment to make to tap a market of over 80 million people.

- Go. Give Mexico a try. The window of opportunity is open before the herd discovers Mexico and slams the window shut. They know relatively little about Canada (as do Canadians about Mexico) but they are curious and focused on this country as a result of the North American Free Trade Agreement (NAFTA). Canada is all one big country to them, with no preconceived ideas about any one part of it. Use that temporary focus and interest to your best advantage. Take a chance. Buena suerte.

Contact: Marjorie Shaw, ITC 426-6658 or Don Robertson, DED 424-4211

MEXICO

Population:	85 million
Area:	1,958,201 sq. km.
Per capita GNP:	US \$3,307 (1991)
Economic growth rate:	4.0% (1991)
Total external debt:	US \$98 billion (1990)
Unemployment rate:	12-20% (1991)
Underemployment rate:	35-50% (1991)
Labour force:	26.2 million (1992)



Trade with Canada (using Mexico's figures):

Mexico's exports to Canada:	US \$575 million (1991)
Percentage increase over 1990:	150
Percentage of Mexico's exports:	2.1
Mexico's imports from Canada:	US \$784 million (1991)
Percentage increase over 1990:	70.8
Percentage of Mexico's imports:	2.1
Canadian investment in Mexico:	US \$491 million
Percentage increase over 1990:	17.7
Percentage of foreign investment:	1.4 (eighth largest)
Canadian visitors to Mexico:	550,000 (1991)
Mexican visitors to Canada:	75,000 (1991)

Government:

Type of government:

Federal Republic: 31 states and 1 Federal District (Mexico City)

Current government (elected 1988):

President: Carlos Salinas de Gortari

Foreign Minister: Fernando Solana

Ruling Party: Institutional Revolutionary Party (PRI)

Business environment:

New laws now make it possible for foreigners to have majority ownership in companies in most sectors of the economy.

Main Economic Activities (% of GDP):

Trade and tourism	27
Manufacturing	23
Community, social & personal services	15
Financial services, insurance, real estate	11
Agriculture, forestry, fishing	8
Transport and communications	7
Construction	5
Mining and quarrying	4
Electricity	2

a Glance

Market Studies available:

from the Info Export Centre (BPTE) by calling 1-800-267-8376 or fax at 613-996-9709:

1. Agricultural Equipment, Seeds and Related Chemicals
2. Automotive Industry and Auto Parts
3. Basic Legal Aspects of Doing Business in Mexico
4. Bottled Water
5. Building Products and Materials
6. Computer Software
7. Construction Industry in Mexico
8. Consumer Products Distribution System in Mexico
9. Distribution System for Fish and Fish Products
10. Educational Systems
11. Electrical Distribution Equipment
12. Electrical Components
13. Food Processing and Packaging Equipment
14. Forestry Harvesting and Woodworking Equipment
15. Home and Office Furniture
16. Industrial Process Control Instruments and Equipment
17. Iron and Steel Industry
18. Machine Tools and Metalworking Equipment
19. Materials Handling Equipment
20. Meat and Livestock Products
21. Mexico - Guide for Exporters
22. Mining Industry
23. Oil and Petroleum Industry
24. Plastics Industry
25. Pollution and Environmental Control
26. Safety and Security Related Products
27. Shipping Documents and Customs Regulations
28. Sporting Goods and Leisure Products
29. Telecommunication Equipment and Systems
30. Tourism, Hotel and Restaurant Equipment
31. Transportation Services to Mexico



Sectors with greatest opportunity:

Fisheries:

Large investment is being directed to this sector but has so far not resulted in greater catches. A recent fishery resource study concluded that Mexico takes less than one percent of the potential harvest from the Gulf and only ten percent of the potential from Pacific waters.

Mining:

Canada has been a traditional supplier of mining equipment to Mexico's six major mining companies: Industrial Penoles, Grupo Industrial Minero de Mexico (IMMS), Empresas Frisco, Corporacion Industrial San Luis, Mexicana de Cobre, and Minera Autlan. Nevertheless, only 10 percent of Mexico's geologically interesting terrain has yet been explored in detail, leaving a great deal to be done.

Environmental:

With the most polluted urban environment in the world, Mexico is in great need of environmental assistance. Environmental impact studies are now required for the expansion or building of industrial plants and emphasis has been placed on emission control for vehicles and industry, waste water treatment, and the management and treatment of solid waste.

Forestry:

The forestry sector has not been a major player in Mexico's manufacturing sector but recent changes in the rural land law are expected to provide greater incentives for the development of this sector.

Transportation and Communications:

Canada is a major player in the development of Mexico's communications infrastructure through Northern Telecom and Bell Canada. Opportunities also exist in revitalizing the rail system, improving the highway system, and modernizing the country's airports.

Contact: Marjorie Shaw 426-6658

MEXICO

The Trade Development Centre of the Department of Economic Development (TDC) and the International Trade Centre of Industry Canada (ITC) regularly promote trade shows, seminars, and trade missions in North America and throughout the world to provide support for potential export opportunities for Nova Scotia goods and services. If you are interested in learning more about any of the following trade development initiatives, telephone the trade development staff listed below.

N.S. Trade Mission to Mexico (Marjorie Shaw, 426-6658; Don Robertson, 424-4211).....	Spring
N.S. Trade Mission to Chile (Sue Sweeney, 426-9416).....	Jan 9-15
Value-Added Seafood Forum, Boston (Kirsten Tisdale, 426-9957).....	Jan 20
Performing Arts NEBS Mission to Boston (Kirsten Tisdale, 426-9957).....	Jan 25-27
N.S. Mission to Iceland (Don Robertson, 424-4211).....	Spring
Consulting Engineers Mission to Mexico (Marjorie Shaw, 426-6658).....	Pending
Trade Mission to Western Canada (Peter Giffin, 424-4212).....	Spring
Launch of Business Cooperation Network in N.S. (Sue Sweeney, 426-9416; M. Mullett, 424-8282).....	February
Doing Business in Argentina Workshop, Halifax (D. Robertson, 424-4211).....	February
Atlantic Craft Trade Show, Halifax (P. Giffin, 424-4212).....	Feb 6-8
Food NEBS with Canadian Solo Food Show, Boston (M. Shaw, 426-6658; K. McCarthy, 424-4213).....	Feb 7-9
Navigating Beyond '94, 3rd Annual Conf. & Show, Newport, RI (Terry Collins, 424-7382).....	Feb 9-11
Non-Traditional Seafood Species Buyers Event, Detroit (K. Tisdale, 426-9958).....	Feb 10
Environmental Industries Workshop: Mktg. to USA (Marjorie Shaw, 426-6658).....	Feb 17-18
The Spring National Gift Show, Toronto (P. Giffin, 424-4212).....	Feb 20-23
Canadian Food & Beverage Show, Toronto (K. McCarthy, 424-4213).....	Feb 20-22
Academic Partnering Mission to Malaysia, Thailand (S. Sweeney, 426-9416).....	February
Doing Business in the Southern USA - Atlanta Consulate to N.S. (K. Tisdale, 426-9957).....	February
Oceanology International '94 Show & Conf., Brighton, UK (Don Robertson, 424-4211).....	Mar 8-11
CeBit '94, Information Techn., Hannover, Germany (Sue Sweeney, 426-9416).....	Mar 16-23
Globe '94, Vancouver (P. Giffin, 424-4212).....	Mar
Atlantic Canada Craft NEBS Mission, with Boston Gift Show, Boston (P. Giffin, 424-4212).....	Mar 21-23
Computer Software NEBS with Network, for E. Canada to Boston (Sue Sweeney, 426-9416).....	Feb 14-17
Seafood NEBS from E. Canada with Boston Seafood Show (K. Tisdale, 426-9957).....	Mar 14-17
Washington Trade Seminar, Incoming Event.....	Mar 25-26

Trade News salutes Canadian Woman Entrepreneur of the Year - Grace White

A bright light shone recently on a Nova Scotian business person who has created a business that handled \$6.5 million in business in 1992, selling such unlikely goods as chicken backs and frozen shark fins to distant parts of the world. Grace White, owner of CanJam Trading, was honoured by the Women's Entrepreneurship Program of the

University of Toronto's Faculty of Management as Canadian Woman Entrepreneur of the Year, from a field of 41 finalists that also included three other women from Nova Scotia: Paula DuMesnil, Eileen LeBlanc, and Dianne Crowell. Trade News joins many others in congratulating Grace White for her achievement.

M&M is harvesting major business in the fields of the Middle East

From little acorns grow mighty oaks; and from one trade mission in the spring of 1992 M&M Manufacturing Limited Partnership has put together a forest of business. The mission to the Middle East, led and organized in the wake of the Gulf War by the federal International Trade Centre in Halifax, has yielded projects worth hundreds of thousands of dollars in current sales and prospects of hundreds of thousands more.

M&M Vice President of Corporate Affairs, David Hynes, and Commercial Manager, Besim Halef, represented the company on the trip. Previous research had shown that the few companies in Saudi Arabia capable of producing pressure vessels were "chock-a-block full for the next two to three years". With the revitalization of the Saudi desalinization plants that is underway and numerous projects related to the oil and gas industry and chemical plants throughout the Middle East, Hynes and Halef had good reason to be confident that they would find business.

Halef made a return trip to Saudi Arabia which led to the signing of a contract, worth more than \$800,000, with Saudi Basic Industries Corporation (SABIC) for the manufacture of pressure vessels. This first contract, however, was only the beginning of the fruit from the Middle East trade mission.

M&M also established contact with Baljurashi Trading Establishment, a well-established Saudi company that is also a steel fabricator. They do not, however, make pressure vessels. They were attracted by M&M's high quality assurance ratings (CSA Z.299.2 and ISO 9002 as well as being ASME approved) and expressed an interest in a technology transfer.

The company's owner, Shaikh Nasser Saad Al Ghamdi, returned Halef's visit with one to Nova Scotia to visit the plant and meet the management. He came on a Friday and by Tuesday the two companies were ready to sign a Memorandum of Understanding to work toward

establishing a joint venture company: M&M/Baljurashi. Under the terms of this agreement, M&M would transfer its technology and provide management and training support in Saudi Arabia. M&M would also receive spin-off benefits by partially constructing pressure vessel "kits" at its Dartmouth facilities for final assembly in Jeddah. The Saudi company will eventually acquire the ability to build the pressure vessels from scratch and M&M will receive part ownership of that company in return.

In addition to these deals with Saudi companies, M&M is now quoting on a number of other jobs throughout the Middle East, in Iran, Iraq, Oman, the United Arab Emirates, and Kuwait. Hynes believes that they are well positioned for a massive Saudi revitalization of their oil fields as well as the construction of new petro-chemical plants.

The Saudi Arabians are also considering improvements in their desalinization plants which have been subject to corrosion. To be prepared for their conversion to titanium, M&M has entered into an arrangement with Astro Metallurgical in the U.S. to transfer titanium fabrication and welding technology to work with the rare metal.

Hynes readily admits that M&M had some good fortune in the Middle East. He acknowledges the invaluable help of the Canadian embassies and the people who organized that first mission. They also had the advantage of Executive Vice President John McStay's father's long involvement in the region. But Hynes thinks the most important reason for their overnight success in the Middle East is the decision they made more than ten years ago to invest time and money in acquiring the very high levels of quality certification which set them apart from their competition. That commitment is now paying off royally in the Kingdom of Saudi Arabia.

Contact: Geoff Lewis, ITC, 426-9475 or Frank Sommerville, DED, 424-6041.

COOPERATION

A perfect FITT

The yen to try their wings on the international market comes to most successful companies at one time or another: when the local market has been fully exploited and the realization comes that one must either look for new markets abroad or abandon soaring growth curves for painful plateaus and deadlier declines. Nova Scotian companies will, beginning in the new year, have a new option for training that can help turn those yens into dollars: the Forum for International Trade Training (FITT).

Begun as a project of the Canadian Chamber of Commerce, FITT takes a distinctly practical approach to training future international traders. Students can take eight FITTskills courses and acquire a Diploma in Trade or they can limit themselves to four and receive a Certificate. It is also possible to take individual courses or even to attend a single day's program to satisfy a more restricted need for knowledge.

In Nova Scotia the program is being offered through the World Trade Centre Institute (WTCI), a not-for-profit educational body associated with World Trade Centres around the world. Its manager in Halifax, Don Connor, emphasizes that the FITTskills courses are designed for people already in business, not for business students.

"Ideal students", he says, "are those in companies which have never traded internationally or have only begun to and feel they could be doing better. FITTskills is also for people who work for companies that are successfully exporting and want to shift from their current job to work which more directly relates to foreign trade."

The first course to be offered is International Trade Finance. Course work includes information on methods of payment, foreign currency transactions, protection against non-payment, and export/trade terms negotiation. In short, as Connor puts it, "how to get paid." The instructor is Dr. Don Ross, a professor at St. Francis Xavier University, a former expert at EDC (Export Development Corporation), and the head of his own trading house.

Course number two is International Marketing and deals with market research, pricing, agency agreements, promotions, packaging, and legal constraints. The teacher for this course is Michael Whalen, until recently a Senior Trade Commissioner with External Affairs and head of the International Trade Centre in Halifax. He has extensive experience in foreign markets like Korea, Australia, and Jamaica and is currently teaching marketing at the Nova Scotia Agricultural College in Truro.

The courses will be offered on four consecutive Saturdays beginning in January 1994. The price has not yet been determined but will, Connor says, fall between \$500 and \$800. While WTCI is not designed to make a profit, it is also not able to support losses. The courses must pay their way.

Two other courses will be offered in the fall, allowing students to complete their Certificate: Global Entrepreneurship and International Physical Distribution.

Contact: Don Connor 428-7233

TRADE NEWS

TRADE NEWS is a joint quarterly publication of the Nova Scotia Department of Economic Development, the International Trade Centre of Industry Canada, and the Atlantic Canada Opportunities Agency. Chief Writer is Bette Tetreault. To obtain a free subscription or to amend your mailing address, please contact:

Marilyn Mullett
Nova Scotia Department
of Economic Development
P.O. Box 519
Halifax, Nova Scotia B3J 2R7
Telephone: 424-8282 Fax: 424-5739

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TRADE NEWS

Trade Promotion Activities in Nova Scotia

Trade winds favour the Caribbean

When Nova Scotians think about trading south, the U.S. inevitably springs to mind. There is however, another market very much closer than much of the U.S. and also to the south: the Caribbean. The islands of the Caribbean are more likely to conjure up images of vacation, but for many Nova Scotian companies they also mean serious business to be done. Early this winter, two trade missions were undertaken to the Caribbean from Nova Scotia: one led by the World Trade Centre to Trinidad and one led by the Economic Renewal Agency to Cuba.

When asked why focus on Cuba, with its well-known financial difficulties, Bob Taylor — Chairman of the Nova Scotia Chamber of Commerce and Sales and Marketing Manager of McCurdy Printing & Typesetting Limited in Halifax — avoided the usual "because its there" and responded instead: "because the U.S. isn't there." He sees this as a major advantage, allowing Nova Scotia to offer North American style, quality and closeness without the political liabilities of the U.S. and without the heavy competition.

McCurdy found good possibilities in Cuba. The Cubans have been having their high-end printing done in Europe and Taylor is confident he can underbid the Europeans thanks to a low Canadian dollar, good transportation links with Cuba, and being many miles closer. Most of the work he's interested in doing is for the tourism industry which encourages him to believe he can get paid for his work. Hard currency in Cuba is carefully funnelled into sectors which will bring in more hard currency, and tourism is definitely at the top of the priority list.

Taylor thinks the possibilities are worth another trip and he will be returning on his own this Spring to present his prices. In September, he hopes to receive a formal visit from Carlos

Martínez Salsamendi, the President of the Cuban Chamber of Commerce, and to sign an agreement of cooperation between the two Chambers. The Cuban Chamber has considerable influence and power and the agreement could prove very valuable.

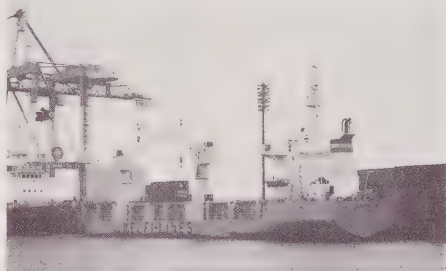
The Economic Renewal Agency looks at Cuba as one of its series of small island initiatives, which have been very successful. Trade missions to small markets such as Iceland and St. Pierre and Miquelon have been among

the most productive ever launched, and Cuba's market is enormous by these standards: more than 11 million people. The Cuban government has been opening up its economy to private ownership and creating a more welcoming business environment. Companies can, for instance, arrange joint ventures which allow the

resulting businesses to be privately owned. The prospects look good for food, tourism, construction, mining, and environmental businesses.

The World Trade Centre mission to Trinidad was itself one step in a long-term exploration of Caribbean markets which began in the late 1980s. A great deal of hard work preceded the trip, with the World Trade Institute thoroughly researching each of the participating Nova Scotian companies and, working through partners in the Caribbean, finding prospective joint venture partners in the Islands. These potential partners were then canvassed as to their interest and carefully vetted. The likeliest matches were pre-arranged and meetings were set up.

Sam Bower, President of Atkinson & Bower Limited in Shelburne, found the system worked. "Don Connor [Manager of the World Trade



A MELFI LINE vessel loading cargo for Havana at HALTERM, Halifax, Nova Scotia

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Green businesses find export opportunities

The market for environmental industries in North America is expected to grow to \$200 billion by the year 2000, and the Canadian market should expand to approximately \$22 billion. With the signing of NAFTA, Canadian companies will be in a good position to capitalize on this enormous growth; and Nova Scotian companies are joining in the rush to benefit from these widely expanding opportunities.

Shaw Eurocan is one of these companies. Peter Haas and Dietmar Tholen met while windsurfing and swimming. They discovered they had other interests in common and eventually combined forces to bring technology for hazardous waste solidification and stabilization to North America from Europe. After two years of hard work with the Nova Scotia Department of the Environment they have secured permit #1 for treating hazardous waste and hope to be as successful here as they have already been elsewhere.

Their process, Haas says, works like nature to compact soils containing hazardous waste and "lock up hazardous wastes in the crystal structure. The process reverses the normal mining process which makes metals, for example, soluble. We make them insoluble. When they are hardened we can grind them up into a flour-like substance. Crude oil turns into something like a sugar cookie." There are, he adds, no emissions from the process.

Shaw Eurocan can take their machinery right to the site in a truck trailer, or the trailer can be transported by rail. The equipment will, in fact, be travelling to Alberta and Vancouver this spring.

Haas owns the rights to this process for North America and Asia and has identified good opportunities in both China and Singapore. He expects to form a joint venture with a company in the U.S. in order to service that huge market but he has already bid on several Superfund site projects. The process, he says, is very cost effective when compared to costs of up to \$4,000/ton to burn hazardous wastes. He can process soil for \$200/ton.

The residue, Haas says, can either be left on the land as fill or used on other sites. In Europe it is ground into gravel and used under road or rail beds. In China they plan to use it to make bricks.

Another Nova Scotian company, Inland Technologies, Debert, tries to prevent soil from becoming polluted with petroleum products in the first place. The company has long been involved in recycling used oil in this province and is now getting involved in exporting their experience to other countries. They collect used oil from industry and gasoline stations and re-refine it, ship it out of province for processing, or sell it to cement factories where it is used as fuel.

Through the good offices of CIDA (Canadian International Development Agency), Roger Langille says Inland has been invited to work on projects in the Caribbean, designing and building waste treatment facilities. They have taken a small equity position in a plant in Barbados in return for transferring their technology. They are also exploring the possibility of participating in a joint venture in Mexico.

Most of the province's environmental industries are still young and solidifying their position in the local market. The world market is, however, huge and beckoning.

*Contact: Peter Haas 477-5600,
Roger Langille 895-6347*

Trade winds favour... (continued from page 1)

Centre] and crew", he says, "did a fine job. They set us up with the best companies to talk to." He's looking for a joint venture partner (or partners) in the Caribbean to whom he can transfer much of Nova Scotia's experience in the fishing industry: on what to do and what not to do. The "nots" include dragging and gill nets, he says.

Their national fishing fleets, according to Bower, are based on the piroque, an enlarged dugout canoe, which can't work offshore or haul much fish. As a result their fishery is abandoned to foreigners or under-utilized. Nova Scotia-style boats would be a great improvement. In addition to building boats for them and setting up small processing plants, Atkinson & Bower hope to sell a lot of hydraulic winches, underwater gear and gear handling equipment to the revitalized fishery. Bower will be returning soon to continue talks. "I've tried elsewhere, but here I think it may happen." Incidentally, he says "the curry was great!"

*Contact: Sam Bower 875-3281,
Bob Taylor 453-6300*

She sells slate sea-lives of the sea shore

Lee Hopkins and Neal Doucette are exporting a lot of Nova Scotia slate these days. They're not in the construction or landscape business, however; and the slate leaves the province in pretty small pieces, wrapped in convoluted foam sheets. What makes this slate rate such elaborate shipping? The paintings on them.

Hopkins and Doucette are Bay Life Art, a Nova Scotia crafts company providing jobs to ten people. Their seaside paintings on slate are really beginning to take off on the Canadian market and this winter they took the first steps toward finding an export market in the U.S. Like many crafts people they are treading a narrow path between increased demand and the need to remain crafts people, not manufacturers. This involves careful training of new staff to maintain the quality of their work and careful pricing to find the space between profitability and marketability.

It also requires them to learn new skills and play new roles. Before their trade mission to Atlanta, for example, they attended a series of workshops on exporting offered by the Economic Renewal Agency. "The course," Hopkins says, "was worth its weight in gold". Thanks to it they had a great deal of leg work done before they arrived in the U.S., including a broker. When the sales came — and they did — they were ready for them: they knew what prices to quote and what conditions to offer.

The trip to Atlanta was scheduled to coincide with the major Atlanta gift show, but the display of their work is now part of a permanent display organized by the Nova Scotia government. For the next two years, Bay Life's work will be on display in Atlanta and sales will

continue to be generated. "It works", Hopkins notes, "we've had two new sales since we left."

Exhibiting at the Atlanta Gift Mart definitely worked for Bay Life. They had a slow response at first. "Our product is very unique," Hopkins says. "We were in a room with an odd mix of things like Highland lace, pottery and bedding, on the tenth floor of an eighteen story building. It took a while for people to notice us." But some very good clients did ultimately find them: Seaworld, several aquariums, and the Georgia World Congress Centre. Hopkins noticed that their customers at the Gift Mart tended to be from larger establishments than those with which they do business in Canada.

Bay Life Art has decided to stay away from using representatives for the time being. They are having no trouble selling what they produce right now and when they do their own selling they know precisely where it is going. They also have the benefit of direct feedback on the product.

The Southeast U.S. has good potential for them, Hopkins believes. "There are so many more people!" Her partner Neal Doucette used to live in Virginia which gave them the initial confidence to try this market and the burgeoning tourism market in the warmer States makes them a natural market for shore-related tourist/gift items. As a bit of a bonus, they've also found that buyers from the Caribbean find their way to Atlanta. They've found a customer in the Netherlands Antilles who was sufficiently impressed to suggest they might want to start a Caribbean line with slightly different colours to reflect the Caribbean sea. But that's another story.

Contact: Lee Hopkins 443-5153

Cape Breton pop bottle preforms charge into export market

Trans-Atlantic Preforms Ltd., Sydney, was started in 1990 to supply the Nova Scotia market with preforms for plastic pop and water bottles. It provided a useful service to the Nova Scotia economy by replacing an imported product with a local one. Only a few years later, however, it finds itself with a small excess capacity and a growing export market.

That market, marketing manager André Coté cautions, is in the spot market. They have no long term contracts with any purchasers. What they do have is a relationship with a broker, Intertech, which allows them to sell up to 25 percent of their product

into the South American, Mexican, and U.S.A. markets. Intertech is an equipment installer and uses Trans-Atlantic's excess product to fuel its own sales into developing markets which are not yet sophisticated enough to produce their own preforms.

The connection with Intertech was made at a trade show called Interbev in Chicago in October 1992. Trans-Atlantic attended with hopes of finding external markets for their preforms; hopes which were fulfilled. The arrangement permits Trans-Atlantic to run their operation at full capacity, guaranteeing employment to their 12 workers and keeping per unit costs as low as possible.

Contact: André Coté 564-8044

Consulate

Atlanta

Suite 400, South Tower
One CNN Center
Atlanta, Georgia
30303-2705

Telephone: (404) 577-6810
Fax: (404) 524-5046

Area Covered

Alabama	Puerto Rico
Florida	South Carolina
Georgia	Tennessee
Mississippi	U.S. Virgin Islands
North Carolina	

Satellite Offices

Miami
San Juan

Population

43 million

Canadian Exports

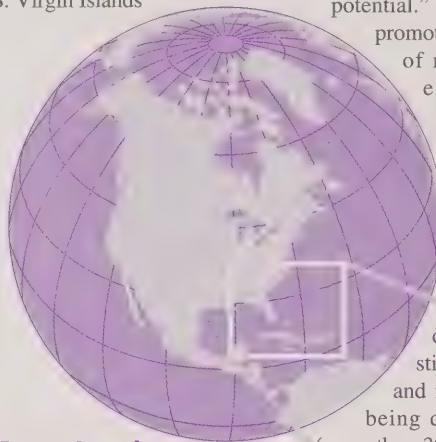
\$8.9 billion (1992)

Canadian Imports

\$11.2 billion (1992)

Top Ten Sectors for Export Growth

Telecommunications Equipment
Computer Software
Electronic Components
Aerospace
Defence Electronics
Industrial Control Systems
Environmental Consulting Services
Medical Equipment
Wood/Paper Building Products
Consumer Products



State Information

Alabama: population (1990): 4,040,587; disposable per capita income (1992): \$14,708; Gross State Product (1990): \$70,346 million One of the great growth opportunities in this state relates to "the great coup" of bringing Mercedes-Benz to Vance. While it has not yet attracted the flood of suppliers that were hoped for, the project still has enormous potential. Huntsville is probably the area of greatest interest to Atlantic Canadians, with its huge Redstone Arsenal. The U.S. Army Missile (MICOM) command is located there and the Consulate calls it "the most important U.S. Army base in our Post territory in terms of procurement potential." A MICOM DDSA Working Group to promote joint Canadian and U.S. development of new military technologies has been established and James Graham, the Deputy Consul General of the Atlanta Consulate, is the Canadian Co-Chair.

Florida: population (1990): 12,937,926; disposable per capita income (1992): \$16,849; Gross State Product (1990): \$132,747 million Construction in the Hurricane Andrew devastated southern part of the state is still on-going and providing opportunities and major tourism construction projects are being discussed. That huge tourism market (more than 30 million visitors are expected this year) also translates into huge demands for food, particularly seafood. The Consulate recommends that Canadian companies identify their product as Canadian as this can result in substantial premiums: Chilean salmon, for example, sells for up to 60 cents less than Canadian salmon.

Georgia: population (1990): 6,478,216; disposable per capita income (1992): \$15,407; Gross State Product (1990): \$75,327 million Georgia has been producing jobs at more than the national rate as the recession recedes. The economy is in good shape and ready to concentrate on infrastructure and education. The 1996 Summer Olympics should boost the economy even further. Georgia is the centre of much of the telecommunications activity in this region with Hayes Microcomputers, Scientific Atlanta and Alltel Supply. The Georgia Center for Advanced Telecommunications Technologies concentrates on telemedicine and interactive distance learning.

Mississippi: population (1990): 2,573,216; disposable per capita income (1992): \$12,146; Gross State Product (1990): \$26,156 million The best opportunity for businesses in this state lies in the rebuilding of infrastructure, particularly bridges which are expected to

need \$1.7 billion in repairs. The state government estimates that 82.7 percent of Mississippi's bridges are in need of repair and plans to spend \$30 million a year on bridge repair.

North Carolina: population (1990): 6,628,637; disposable per capita income (1992): \$14,890; Gross State Product (1990): \$77,475 million The economic power house for this state lies in the Research Triangle between the major university towns of Raleigh, Durham and Chapel Hill which is the South's answer to Boston's Route 128 miracle. This high tech centre, recently named "the premier high-tech center" of the country by Fortune magazine, specializes in medical and biotech industries. The region's banking and financial centre is also located in Charlotte.

Puerto Rico: population (1992): 3,776,654; per capita Gross National Product: \$6,600; total GNP: \$21,600 million It should come as no surprise that most of Puerto Rico's trade is funnelled through the U.S. (87 percent of export and 68 percent of import). Leading export industries include: pharmaceuticals, electronics, textiles, processed foods (canned tuna, rum, beverage concentrates) and medical equipment. Prime imports include: chemicals, clothing, food, fish and petroleum products. Tourism remains one of the biggest industries.

South Carolina: population (1990): 3,486,703; disposable per capita income (1992): \$13,751; Gross State Product (1990): \$35,372 million South Carolina is still basking in the glory of capturing the BMW plant which has created hundreds of new jobs and brought in millions of investment dollars. The Canadian American Society of South Carolina (CASSC) is setting up an electronic bulletin board to promote business in South Carolina. Members will be able to advertise. Interested companies should contact: Ron White, 700 Blue Ridge Terrace, Columbia, SC 29203.



Tennessee: population (1990): 4,877,185; disposable per capita income (1992): \$13,751; Gross State Product (1990): \$56,402 million Much of the potential for export to this Country Western musical capital has been in the field of entertainment, with performers heading to Nashville for recording opportunities. The state, however, also has a substantial high-tech presence with Martin Marietta in Oak Ridge. The Consulate will be making one its highest profile appearances at an environmental show at CUE 94, which takes place on August 27 in Oak Ridge.

U.S. Virgin Islands (St. Croix, St. Thomas, St. John and 50 smaller islands and cays): population (1992): 98,942; per capita Gross Domestic Product: \$11,000; total GDP: \$1,200 million This territory relies on tourism for 70 percent of the GNP and 70 percent of the jobs. Manufacturing industries on the islands include textiles, electronics, pharmaceuticals, and watch assembly. Almost all food is imported. The petroleum refinery in St. Croix (the largest in the world) accounts for most of the \$2.2 billion exports and a considerable part of the \$3.7 billion in imports. Other imported goods include food, consumer goods and building materials.

Major Sectors

Telecommunications Equipment: Some of the U.S.'s largest telecommunications companies and distributors are in the Southeastern U.S. BellSouth is the largest telephone operating company in North America and a very good customer of Northern Telecom.

Contact: Steven A. Flamm

Computer Software: Southeastern U.S. is headquarters for some of the U.S.'s biggest software distributors: for example, Tech Data (Clearwater, Florida), GATES/FA (Greenville, South Carolina), NDC Corporation (Hollywood, Florida), and Office Depot (Boca Raton, Florida).

Contact: Steven A. Flamm

Aerospace and Defence Electronics: Ft. McPherson (outside Atlanta) has the largest concentration of senior military personnel outside of the Pentagon and it has great influence on purchases. Redstone Arsenal (Huntsville, Alabama) has the most procurement potential, working on MICOM DDSA, HOKUM-X, and

Working Places... (continued from page 5)

robotics for the Unmanned Ground Vehicle Program. The Coast Guard (Elizabeth City, North Carolina) is a good opportunity for repair and overhaul on fixed- and rotary-wing aircraft. For the Air Force, Warner Robins (Macon, Georgia) spends more than \$2 billion each year.

Contact: David Peippo

Environmental Consulting Services: Major growth areas are in pollution control, bioremediation, soil remediation on military bases, and nuclear waste disposal and decontamination. Many of the military bases have access to the Superfund and NAFTA has entitled Canadian companies to compete for military contracts.

Contact: John F. Alexander

Contact: Mark Craig 426-6176
Industry Canada, Halifax

The Trade Development Centre (TDC) of The Nova Scotia Economic Renewal Agency, and the International Trade Centre (ITC) of Industry Canada, in conjunction with other departments of government, regularly promote trade shows, seminars, and trade missions in North America and throughout the world. These events highlight potential export opportunities for Nova Scotia goods and services. If you are interested in learning more about any of the following trade development initiatives, telephone the trade development staff listed below.

Architects, Contractors, Engineers NEBS (Marjorie Shaw)	June 27-29
Atlanta Gift Show, Atlanta, Georgia (Peter Giffin, 424-4214)	July 6-15
Comdex Canada '94, Toronto, not exhibiting (Marilyn Mullett, 424-8282; Sue Sweeney, 426-9416)	July 13-15
Trade & Investment Mission to United Kingdom, Premier-led (Don Robertson, 424-4211)	July
Reverse NEBS, Ocean Technology from Boston (Geoff Lewis, 426-6790)	July 19-21
Incoming Software Mission from Atlanta, Georgia (Sue Sweeney, 424-9416; Marilyn Mullett, 424-8282)	August
Marine Technology Society Annual Conference, Washington, DC (Geoff Lewis, 426-6790)	Sept 7-9
Sherwater Air Show, Dartmouth (Marilyn Hutchings, 424-6044)	Sept
Newfoundland Food & Livestock Show, St. John's (Ray Foote, 893-6388)	Sept
Seafare, Los Angeles (Janis Raymond, 424-0330)	Sept
OSATES '94, Brest, France (Ocean) (Terry Collins, 424-7382)	Sept 12-15
Kansai Region Fish Promotion & Opening of Osaka Airport (Janis Raymond, 424-0330)	Sept
Toronto Fall Gift Show (Peter Giffin, 424-4214)	Sept
Coastal Zone Canada '94 (Terry Collins, 424-7382)	Sept 20-23
Geomatics NEBS to Boston (Sue Sweeney, 426-9416)	Sept
Software/Multimedia Mission to MIT, Boston (Sue Sweeney, 426-9416; Marilyn Mullett, 424-8282)	Fall
Softworld '94, Int'l. Conference & Exhibit, Fredericton, N.B. (M. Mullett, 424-8282; S. Sweeney, 426-9416)	Sept 26-28
CORE Conference (Geoff Lewis, 426-6790)	Oct 12
Techno Ocean '94, Kobe, Japan (Geoff Lewis, 426-6790)	Oct 23-26

Software industry gets the message on marketing

Nova Scotia's software industry emerged from its infancy a few years ago to discover that producing excellent software was not enough: you had to market it properly and aggressively or all the years of programming were futile. Having identified the problem, seminars on marketing, trade missions, and government programs were devised. After some very hard work, those who got the message on marketing are beginning to have positive results.

The software industry recognizes two different markets: the vertical — destined for a specific industry or group — and the horizontal — intended for the general public. Nova Scotian companies have traditionally fared better with vertical products which are easier to market. Horizontal products require more professional marketing skills and more creative marketing approaches. But some Nova Scotian software companies are beginning to crack the general audience. Positronic Software is competing head-to-head with major names in bridge and Windhorse Productions is venturing into the hot new CD-ROM game market.

Positronic Software has developed a series of programs that play bridge using Artificial Intelligence so that the game "learns" the player's style of bridge and adjusts itself accordingly. The general public is the most difficult of all markets to reach.

The other group of potential customers was relatively easy to find: bridge club members. As a vertical market, Positronic is able to speak directly to this group with mailings and a quarterly newsletter. They attend three major ACBL tournaments in the U.S. a year and an international championship in Europe.

Reaching the huge market of occasional and novice players, however, was much more difficult and involved a different strategy. Recognizing that they needed permanent business advice, the program's original developers David and Les Lever entered into an alliance with Terry Norman to provide the business acumen and experience they lacked.

After a professionally prepared market study recommended a medium-sized publisher, Positronic Software signed a licensing agreement with ReadySoft, a Toronto software publisher. This has given them a new look for their packaging and access to major U.S. software stores like Egghead Software, Software Etcetera, Walden Software, and Electronic Boutique.

One of the interesting things their market research discovered was that while bridge players' average age is around 55 they are remarkably computer-friendly. Norman attributes this to the mathematical nature of bridge. This means that the market for a computer bridge game is potentially very large, with one of Positronic's competitors selling 50,000 games a year.

Ken Greene and Carolyn Olsen approach the software industry from another angle. Unlike the Lever brothers, they are not themselves programmers. They have, however, entered into a partnership with one of Nova Scotia's best known software developers Tomacz Pietrzykowski, one of the founding fathers of Prograph, an object-oriented programming language. Their new company Tendrel (the Tibetan word for auspicious coincidence) is working on creating Performance "a suite" of software packages for designers of multi-media programs.

Multi-media is, Greene says, about to take off in a big way thanks to Kaleida — the recently announced alliance of MacIntosh and IBM to develop a universal, low level, multi-media language. Tendrel now has three software engineers working very hard to provide the next level of programming assistance for multi-media producers which will allow non-programmers to take advantage of these new developments.

However, Greene and Olsen are producers of multi-media packages through Windhorse Productions, creating interactive video games for New Brunswick Power and Nova Scotia Power.

Windhorse is also working on Eco-Island, an environmental game for children. The bare-bones of the program were displayed at ECO-ED in Toronto and aroused interest in publishers like Compton's New Media, Putnam's New Media and Voyager. Greene and Olsen recognize that this project, which will be available on CD-ROM, will require very professional marketing and will need the boost that international publishers can offer.

Contact: Terry Norman 434-6444,
Ken Greene 492-4523

COOPERATION

Opinion

Marketing makes the difference at Trihedral

Trihedral Engineering of Bedford is bridging the difficult gap between software development and promotion, a chasm into which many software companies have disappeared.

A couple of years ago, Trihedral's president Glenn Wadden came to the conclusion that his product, however excellent, was not going to be a success without professional marketing. Trihedral had developed a systems control program called WEB which was of interest primarily to large manufacturers and utilities and had had some notable successes in Canada and the U.S. They were trying to market it through representatives and word-of-mouth.

They had a good product, a professional trade show booth, an elaborate 600 page manual, and a few very prominent and satisfied customers. Why weren't the rest of the sales coming?

Trihedral decided to hire themselves some expertise. With the help of Patrick Cooke, a marketing professional with considerable experience in the sort of industry to which Trihedral hoped to sell, Wadden's company sharpened its focus on the likeliest purchasers of WEB and found sales reps for the U.S. and Canada who are now reliably selling and servicing the product. The company attends carefully chosen trade shows — the ISA (the

Instrument Society of America) show, for example, which attracts between 30,000 and 35,000 potential customers and CeBit, Europe's biggest information technologies show which attracts 650,000.

And sales have improved. The change, according to Wadden, has been gradual but significant, with 1993 up 50 percent over 1992. Trihedral has been able to add three people to their staff of seven during a recessionary period when all too many companies were laying people off. "WEB is somewhat recession proof," Wadden says, "because it is cheaper than the traditional solutions."

Trihedral goes to trade shows to attract clients, of course, but also to find sales representatives. At CeBit '94, for example, Cooke says they discovered at least four companies which have an interest in representing Trihedral in Europe. The huge show was very nearly overwhelming but provided a good opportunity to see what the competition was selling and to discover hardware and application software that might be useful in their own work.

In addition to industrial customers, Trihedral has identified systems integration consulting engineers as their best potential customers. WEB's greatest drawback, Wadden says, is that it takes considerable time to understand; but its biggest benefit is its flexibility, so that once having taken the time to learn WEB, the customer will find it both easy and logical to apply it to their next project. This sort of time investment makes most sense for consulting engineers who work on a variety of projects.

Having started life as an engineering company, Trihedral still does some engineering work, as well as servicing WEB, maintaining a natural affinity with its clients.

Trihedral has decided to stick with its single product for the moment, rather than dilute its efforts in an attempt to diversify. They'll continue to narrow their focus and home in on their likeliest users. Having hired professional advice, they're taking it.

Contact: Glen Wadden 835-1575

TRADE NEWS

TRADE NEWS is a joint quarterly publication of the Nova Scotia Economic Renewal Agency, the International Trade Centre of Industry Canada, and the Atlantic Canada Opportunities Agency. Chief Writer is Bette Tetreault. To obtain a free subscription or to amend your mailing address, please contact:

Pamela Rudolph
Economic Renewal Agency
P.O. Box 519
Halifax, Nova Scotia B3J 2R7
Telephone: 424-6042 Fax: 424-5739

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TRADE NEWS

Trade Promotion Activities In Nova Scotia

The marketplace hat trick: New York, New Jersey, and Connecticut

Don Robertson, the new Manager of Trade Development at the Nova Scotia Department of Economic Development, is a very generous guy. Always taught to bring a present when he visits, he could do no less when he arrived at Economic Development. The present in this case was an idea and some groundbreaking investigative work that made the idea even more appealing. While still with Atlantic Canada Plus, he, Don Connor from the World Trade Centre, and Mike Whalen from the Halifax International Trade Centre paid a visit to the New York Canadian Consulate and brought back the conviction that the greater New York market would repay a little effort tenfold.

The staff at the Consulate were newly installed and they were enormously responsive to the Nova Scotian delegation. From Consul General Alan Sullivan to the trade commissioners and local marketing officers the response was enthusiastic and practical. Rather than a one-shot deal, everyone involved agreed that a longer-term, multi-part program should be devised.

The appeal of a market of 24 million people is obvious to Connor. "There's 24 million reasons" to give the tri-state market of lower New York State, New Jersey, and Connecticut a good look. Drawing the circle just a little wider, Robertson can identify a compact market of 52 million — rather more than twice the population of Canada.

The biggest problem, Robertson says, is "demystifying New York and taking away the fear" people have of Manhattan. There's no doubt, he admits, that "it's a tough market." But for those who do their homework it's far from impossible to crack.

The first element in the plan to introduce the tri-state market to Nova Scotia was a one-day workshop called "Doing Business With New York" for which a substantial part of the New York Consulate staff journeyed to Nova Scotia. New York is Canada's largest consulate with 105 staff members, however, so it was able to keep functioning nevertheless.

The morning session was devoted to an overview of the tri-state market and problems and opportunities there. In the afternoon, three concurrent workshops

were held for the 70 people who attended. They had their choice of advice on attending trade shows, a round-table discussion on cultural industries, and a working session on attracting meeting and convention business to Nova Scotia.

In the morning, before the workshop, a second purpose for the journey was unveiled when each of the Atlantic provinces had a chance to strut their stuff for New York Consul General Alan Sullivan. Acquainting the consulate staff with Atlantic

companies was an important second objective. In the months ahead, Nova Scotian companies want to feel confident that their products and problems are understood by their representatives at the consulate.

The second thrust of the assault on the greater New York market will

occur in the spring when two NEBS (New Exporters to Border States) missions will take off for the tri-state region. Their exact dates are not yet set, but one will focus on the food industry and the other on high tech companies. Both, Robertson says, will make a real effort to get participants out of the downtown Manhattan core, so that they can see less intimidating areas and have a better perception of the larger market. The high-tech mission, in particular, is likely to spend time at the Princeton office.

Successful ventures often have unexpected benefits and Robertson has noted a real bonus to his efforts to investigate the New York market in person. He feels much more comfortable now calling individual officers in New York when there are questions to be asked or favours to be begged. He suspects that the same will hold true for those who attend the missions and the workshop.

Sullivan summed up the theme of the workshop and the whole tri-state offensive at the end of his luncheon address:

"And as the song goes - (sort of) 'New York! New York! - if you can make it there, you'll make it anywhere!' So what are you waiting for?"

contact: Don Robertson at 424-5448



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Marine technology companies are success south of the border

Nova Scotians are accustomed to looking out of their windows and seeing ocean; and it would be very hard to remain unaware of the importance of the fishing industry to the province. Less clear to many, however, is the important role ocean-related research and development plays in the province's economy. One man in no doubt about it, however, is Terry Collins, a member of the Technology Transfer Office in the Nova Scotia Department of Economic Development.

He's been spending a lot of time on the road to Rhode Island in the past year, usually accompanied by some of the many companies involved in the marine technology sector. A series of conferences and workshops have been bringing the industry together, in defiance of the border, to discuss common concerns, share knowledge about work in progress and work for the future, look for possible clients and partners, and engage in that useful catch-phrase "networking".

Even better than networking, of course, are solid leads on future business. Graham Smith, president of Focal Technologies Inc., reports "Our trip report shows six new inquiries for slip ring products and four repeats, two inquiries each for plankton counters and hybrid connectors, and a number of general

business contacts." Other companies — Hawboldt Industries, Vemco Ltd., and Sirius Solutions, for example — had similarly successful trips.

In October 1992 Collins led a group of 23 Nova Scotian companies to Oceans '92 in Newport. Canada was a major sponsor of that conference and the Nova Scotian contingent represented nearly half of the companies there. The Nova Scotian companies agreed to share one booth, creating the impression of a very large and well-connected group, instead of spreading their efforts rather more thinly and less noticeably. Graham Smith decided that this "spreads the costs, shows a larger total capability and effectively multiplies the chances of finding new prospects." "The synergy also extends to the image we present to the international clientele that visited the booth," says Sylvain de Margerie, of ASA Consulting Ltd., "by presenting a well-rounded range of expertise from companies accustomed to working together."

Collins will be returning to Newport in March with another group of companies for "Navigating Beyond '93: Future jobs and commerce in Marine Technology."

contact: Terry Collins at 424-7382

Update on Russia

Jacques Whitford finds wide open niche for "nice Americans"

In the last issue of Trade News we introduced the vast potential of the Russian market. For those who were intrigued, we offer the experiences of another Nova Scotian company which is having considerable success with our fellow inhabitant of the far north.

Jacques Whitford and Associates Limited (Jacques Whitford Environment Limited) is finding that the fact of sharing a climate and geography with Russia is no small selling point when dealing with Russian oil and gas companies. Having worked in Canada's northern territories and the Yukon, Jacques Whitford is well qualified to deal with permafrost conditions in Russia's north. Having worked on the cold North Atlantic — off Nova Scotia's Sable Island and George's Bank — the waters off Siberia are familiar territory. Russians find this kind of experience very comforting, says Judy Lake, Manager of Business Development for Jacques Whitford.

Lake has been knocking on the Russian door for a relatively long time. She began at Dalhousie University when the Atlantic Canadian Environmental Trade Association (ACETA) was formed in the wake of the Canada - Russia bilateral trade treaty. The then Nova Scotian Minister of the Environment, John Leefe, and Dalhousie's Dean of the Faculty of

Management, Jim McNiven, both decided that the environment was the right niche market for Nova Scotia to attack in Russia; and the stage was set when Dalhousie was asked to head the environment working group for Canada.

Jacques Whitford was one of the early companies exploring the Russian market. Nothing in Russia, Lake warns, happens quickly. It took four to six trips before the Nova Scotian engineering and environmental services company found the partner they wanted.

In 1992 it all paid off for Jacques Whitford when they signed a joint venture with ENBAS, a Russian consulting company largely made up of people who used to run Russia's department of the environment. ENBAS, says Stephen Fudge, an environmental scientist with Jacques Whitford, has the inside knowledge about Russian rules and regulations and about Russian personnel; Jacques Whitford brings the experience of Western oil and gas exploration methods and knowledge of Western oil companies.

The work on Russia has already yielded a few small jobs for Jacques Whitford but the real payoff, Lake says, is probably six to nine months away yet. The situation is quite unpredictable, she admits, but

Continued on bottom of following page.

Trading Places: Tri-state New York area

"You have to service the hell out of the market" - Scott Brison

For a boy from Cheverie, Nova Scotia, Scott Brison has made the ultimate move: to New York's East Village. He claims there are a lot of similarities between the two places but it's not an easy comparison to picture. He does admit, however, that the New York market is a far cry from the Nova Scotia market: much more aggressive and competitive but oddly easier in some ways.

Brison is in New York selling Aquarius Coatings, a line of superior paint and rust primer products manufactured in Bedford, Nova Scotia. Their two best known products are Armaglaize, a graffiti resistant paint which has won some fame as a paint of choice for McDonald's restaurants, and Blue Steel Primer, a rust converter which changes unstable iron oxides into stable ones, i.e. the rust goes away.

The basics hold true in New York," he says. "You've got to have a good product but you also have to service the hell out of it." That means managing and supporting that excellent representative you chose so carefully because if you don't the odds are they'll spend their time on the easiest item they have to sell.

"You have to compete for their time; they sell lots of companies. You'll get more from them if you put more into it. Work with them," Brison suggests. "Ask questions."

Brison says he sees some companies who make a quick visit once or twice a year to their New York agent and wonder why they aren't making the sales they expected. "You must help them and show them how to sell your product," he advises. He takes a personal interest in the sales people who work for his representative. He has all their home phone numbers

and doesn't hesitate to call them and ask "How's it going; can I give you any help?" It's hard to be too aggressive in New York.

Brison acquired his agent at a major construction trade show in New York familiarly known as The Big Show. Don Garretson of the New York Consulate arranged that trip for him. By working backwards, Brison also discovered Sherman Williams, the world's largest paint manufacturer and arranged a marketing deal with them. He approached one of his earliest clients with a simple query: "What company are you most comfortable dealing with?" When the answer was Sherman Williams, Brison knew which company he wanted to deal with, the rest was only hard work.

Attending trade shows is very hard work the way Brison does it. He follows up every contact he makes at the show with a letter in the first week after the show. He then calls them all. The follow up is what really matters.

Brison sees a lot of potential in the New York market for Nova Scotian companies. When he mentions Nova Scotia to people there, he says, "their eyes glaze over and they tend to answer, 'It must be lovely there.'" He advises companies, particularly food companies, to take advantage of that image and sell high-end prepared foods. "In the recession," he notes, "people are denying themselves the big pleasures and rewarding themselves with little indulgences, like food. They'll pay an extra dollar for ice cream because they can't take a \$25,000 trip this year. People aren't afraid to pay for quality and they value their time over saving a nickel on the price."

"It's a long schlep," Brison notes, "from the Athens Restaurant [in Halifax] to the Second Avenue Deli."

Update on Russia (continued)

being in on the groundfloor means quite considerable potential for profit. There aren't very many companies as well entrenched in the market as hers.

Jacques Whitford is heavily sold on the idea of using a joint venture partner. "It's best," Lake says, "to have Russians deal with Russians. They have their ears to the ground on political and other changes." Her company concentrates on courting the major international oil and gas companies which are flooding into Russia, eager to get a piece of the biggest oil business in the world. Jacques Whitford relies on those companies to pay the bills for their work too. Then there are no problems with converting Russian rubles into dollars or trying to become a commodity dealer in order sell the oil with which your Russian partner has paid you.

Nova Scotians, both Lake and Fudge say, have many advantages in the Russian market: Russians perceive Canadians in general as "nice Americans" who can provide the Western technology they want without the personality flaws they perceive in real Americans. Russians have no negative preconceptions about Atlantic Canada; Canada is Canada to them. In fact, since Nova Scotian companies were among the earliest Canadian companies into Russia, being from Nova Scotia may prove to be a benefit. Russians, they say, want to work with Canadians. Jacques Whitford is happy to give them the chance.

contact: Peter Giffin at 424-2412

New York • New Jersey • Connecticut

Area: 23 southern counties of New York, New Jersey and Connecticut

Population: 24 million

Major Cities: New York City (pop. 7,322,564)
Hartford (pop. 139,739)
Newark (pop. 275,221)
Albany (pop. 101,082)
New Haven (pop. 130,474)
Atlantic City (pop. 37,986)
Waterbury (pop. 108,061)
Princeton (pop. 88,675)

Canadian Consulates:

1251 Avenue of the Americas
New York, N.Y. 10020-1175

Phone: (212) 596-1600
Fax: (212) 596-1790 (General)
(212) 596-1793 (Trade)
Telex: 62014481

Princeton office:

Princeton Corp. Center
5 Independence Way
Princeton, N.J. 08549

Phone: (609) 452-1929
Fax: (609) 452-2632

Trade:

Canada exported \$15.5 billion to the tri-state region in 1991 and imported \$11.4 billion for a trade surplus of \$4.1 billion. Atlantic Canada supplied four percent (4%) of that export trade for a total of \$614,413,000.

Nova Scotia exported \$1.5 billion to the United States in 1991, 68% of the total goods exported. Of that amount, 14 percent, \$204,652,000 went to the tri-state area. The 11 leading export areas were: petroleum and coal products (41.8%), newsprint paper (12.6%), wood pulp (10.1%), fish and fisheries products (9.9%), transportation equipment (4.4%), vegetables (2.6%), beverages other than whisky (2.3%), printing paper other than newsprint (2.1%), paper other than for printing (1.2%), softwood lumber (1.2%), and cereal preparations (0.65%).

Major Nova Scotian Export Opportunities:

Apparel: About 60 percent of the apparel purchasing for the U.S. takes place in New York at the more than 80 apparel and accessories trade shows each year. The Consulate supports two Canada Mode Shows in September and February, two Eurostyle Shows in August and February and an Exclusive Show in January. For more information contact: Ms. Mary Allan - (ph.) 212-596-1659.

Computer software and equipment: The U.S. market for packaged software was worth more than US\$23 billion in 1992. In addition, the U.S. imported US\$1.7 billion worth of hardware from Canada, mostly (65%) peripherals. The major show for Nova Scotian software producers is PC Expo '93 in June which had a trade attendance of 81,000 in 1992. For more information contact: Mr. Donald H. Garretson, Jr. - (ph.) 212-596-1656.

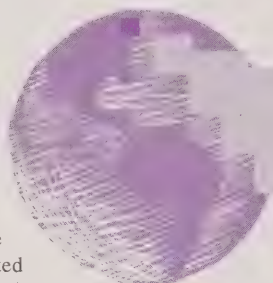
Construction: Union pressure may limit the opportunities for contractors to bring in Canadian personnel. This will not, however, affect the import of products. The major show in this sector is the Metro New York Construction Exposition and Conference (a.k.a. The Big Show). For more information contact: Mr. Donald H. Garretson, Jr. - (ph.) 212-596-1656.

Cultural industries: These include books, visual arts, sound recording, and performing artists.

Books are promoted through the American Book Sellers Association and the Periodical Publications Fair; while visual and performing arts are more likely to be promoted on an individual basis. For more information contact: Ms. Ann Garneau - (ph.) 212-596-1691 or Ms. Susan Rich - (ph.) 212-596-1793.

Environmental products and services: This is one of the fastest growing sectors of the U.S. economy. Prime opportunities for Canada include waste water treatment, hazardous materials and waste management and recycling processes. Participation is planned for the Hazmat International Show in Atlantic City in June and the New Jersey Water Pollution Control Association Conference and Exhibition in Atlantic City in May. For more information contact: Mr. Donald L. Russell - (ph.) 212-596-1658.

Giftware: Giftware and crafts are marketed in the tri-state area through multi-line representatives or through showrooms in the gift buildings at 225 Fifth Avenue and 41 Madison Avenue. The major shows are in August and February at the Jacob K. Javits Convention Center. The Consulate plans to bring buyers to the Atlantic Crafts Trade Show in Halifax. For more information contact: Ms. Susan Rich - (ph.) 212-596-1657.



Cut: The Tri-State Area

NEW YORK

Health care and medical devices: This market is growing by over 10 percent a year, to US\$104.2 billion in 1992. Several trade shows have been targeted by the Consulate, including The Middle Atlantic Health Congress Trade Show in Atlantic City in May and the New York Medical Design and Manufacturing Conference and Expo '93 in June. For more information contact: Mr. Donald H. Garretson, Jr. - (ph.) 212-596-1656.

Industrial machinery: The likeliest sectors for the tri-state are construction equipment, air conditioning and refrigeration equipment, food production machinery, and packaging machinery. Although the Consulate will most likely not be participating, a prime trade show opportunity is the International Hotel and Restaurant Show. For more information contact: Mr. Donald Russell - (ph.) 212-596-1658.

Lumber and newsprint: The price of lumber has been rising due to the more robust U.S. economy and dealers' rebuilding of inventories for the expected construction surge. Newsprint has remained fairly strong. For more information contact: Mr. Richard Campanale - (ph.) 212-596-1655.

Manufactured goods: The Consulate recommends that companies approach this market as subcontractors to U.S. exporters of manufactured goods. Small to medium sized firms can offer flexibility and adaptability. For more information contact: Mr. Donald Russell - (ph.) 212-596-1658.

Pharmaceuticals: Atlantic Canada exported \$382,000 in pharmaceuticals to the U.S. in 1991 with about \$100,000 going to the tri-state area. New Jersey is one of the most important markets for pharmaceuticals with industry giants like Johnson & Johnson, Merck, and Warner Lambert located there. The major trade show is the Interphex Exhibition in March/April. For more information contact: Ms. Brigitte Leger - (ph.) 609-452-1929.

Processed foods: The best prospects in this area are in the areas of gourmet/specialty, health foods, and the food service industry. The Consulate promotes through major trade shows such as Summer Fancy Foods Show in June, National Prepared Fancy Foods Festival in October, and New York's International Hotel, Motel and Restaurant Show. For more information contact: Mr. Richard Campanale - (ph.) 212-596-1655.

Telecommunications: Canada exported US\$515 million of telecommunications equipment to the U.S. in 1991; while Atlantic Canada (mostly Nova Scotia) exported \$1.7 million in telecommunication and related equipment to the tri-state area. The most important trade show for this sector is the Communications Managers Association Show in New York in October. For more information contact: Mr. Donald H. Garretson, Jr. - (ph.) 212-596-1656.

Tourism: The north eastern U.S., particularly the tri-state area, represented nearly US\$5 billion in Canadian tourism revenue in 1991. In addition the area is home to 250 tour wholesalers/operators actively selling into Canada, 1,800 retail agents, eight autoclubs, ten cruise companies, 14 on-line air carriers, one Canadian off-line carrier, one rail organization and one scheduled bus company. Major shows include Dateline Canada/Media Marketplace in April and Showcase Canada in November. For more information contact: Mr. Harvey Paul Davidson - (ph.) 212-596-1680.

Source:

The above material was supplied by the External Affairs and International Trade Canada.

Contact: Kirsten Tisdale at 426-9957.



The Trade Development Centre of the Department of Economic Development (TDC) and the International Trade Centre, Industry, Science and Technology Canada (ITC) regularly promote trade shows, seminars, and trade missions in North America and throughout the world which are deemed to provide support for potential export opportunities for Nova Scotia goods and services. These events may qualify for funding support. Consult with the appropriate department for further information about financial assistance.

Trade Mission to Ukraine & Russia (Susan Sweeney, ITC 426-9416)	March/93
Navigating Beyond '93: An Oceans Conference/Exhibit, Rhode Island (Terry Collins, TIO 424-7382)	March 3-5/93
Middle East/North Africa Seminar (Ed Wang, ITC 426-6040)	March 5/93
NAMMOS Seminar (Ed Wang, ITC 426-6040)	March 5/93
Boston Seafood Show, Boston (Janice Raymond, DOF 424-0330)	March 9/93
Building Materials NEBS, Boston (Marjorie Shaw, ITC 426-6658)	March 9-11/93
Debriefing to Offshore Industry Mission (Ed Wang, ITC 426-6040)	March 11/93
Newfoundland Foodservices & Brokers Expo, St. John's (Ken McCarthy, TDC 424-4213)	March 14-15/93
Seafood NEBS to the Boston Seafood Show (Kirsten Tisdale, ITC 426-9957)	March 15-18/93
Peacekeeping '93, Ottawa (Peter Giffin, TDC 424-4212)	March 16-17/93
Japanese Building Products Market Seminar (M. Shaw, ITC 426-6658)	March 18/93
Boston Gift Show, Boston (Peter Giffin, TDC 424-4212)	March 20-24/93
Atlantic Business Opportunities Conference (Susan Sweeney, ITC 426-9416)	March 22/93
Environmental Technologies '93, Birmingham, UK (Peter Giffin, TDC 424-4212)	March 23-25/93
Trade Mission to Hungary* (John Dicks, HCCC 492-1688; Peter Giffin, TDC 424-4212)	March 23-26/93
Italy Fur Fair, Milan, Italy (Brian Smith, DOA 893-6388)	March 23-30/93
APEX '93 Show, Halifax (Ken McCarthy, TDC 424-4213)	March 28-30/93
IMDEX '93, Brighton, UK (Peter Giffin, TDC 424-4212; Geoff Lewis, ISTC 426-9475)	March 31-April 2/93
Mexico — Market Opportunities (M. Shaw, ITC 426-6658)	March 31/93
Dairy Show, Victoriaville, Quebec (Brian Smith, DOA 893-6388)	April/93
Greenland Market Reconnaissance (Bud Clark, TDC 424-8284)	April/93
Outreach Workshop in Amherst/New Glasgow (Ed Wang, ITC 426-6040)	April/93
Trade Mission to Japan, Hong Kong, Taiwan (Maurice Larkin, TDC 424-5316)	April/93
Supplier Information Session on Fixed Link* (Frank Sommerville, TDC 424-6041)	April-May/93
US Nutritional Labelling Seminar, Halifax (Kirsten Tisdale, ITC 426-9957)	April 7/93
New England Environmental Expo, Boston (Peter Giffin, TDC 424-4212)	April 13-15/93
World Markets at Your Doorstep (with EAITC/TPF) (Ed Wang, ITC 426-6040; Don Connor, WTC 428-7233)	April 15-16/93
Hostex '93, Toronto (Ken McCarthy, TDC 424-4213)	April 25-27/93
Trade Mission to Western Canada (Peter Giffin, TDC 424-4212)	April 25-27/93
Trade Mission to Eastern Europe, Russia (Peter Giffin, TDC 424-4212)	May/93
Technology Mission, Princeton, New Jersey (Susan Sweeney, ITC 426-9416)	May/93
Outreach Workshop in Sydney (Ed Wang, ITC 426-6040)	May/93
Doing Business in Japan Seminar, Halifax (Ed Wang, ITC 426-6040)	May/93
Food Mission to Asia (Janice Raymond, DOF 424-0330, Brian Smith, DOA 893-6388)	May/93
Trade Mission to Mexico (Don Robertson, TDC 424-5448)	May/93
Seafood Europe '93, The Netherlands (Janice Raymond, DOF 424-0330)	May/93
SIFAC '93, Space Industry Forum in Atlantic Canada, Halifax (Marilyn Hutchings, TDC 424-6044)	May/93
Atlantic Canada Trade Mission to CIS (Peter Giffin, TDC 424-4212)	May/93
Tri-State Initiative - New York/New Jersey/Connecticut (Kirsten Tisdale, ITC 426-9957, Don Robertson, TDC 424-4211)	May/93
Offshore Technology Conference, Houston (Frank Sommerville, TDC 424-6041)	May 3-6/93
Nova Scotia/New England Partnerships '93, Yarmouth (Don Robertson, TDC 424-4211)	May 6-7/93
Dalhousie European Study Mission (Susan Sweeney, ITC 426-9416)	May 8-26/93
Canadian Specialty Food Show, Toronto (Ken McCarthy, TDC 424-4212)	May 16-18/93
National Restaurant Association Show '93, Chicago (Ken McCarthy, TDC 424-4213)	May 21-26/93
European Seafood Expo, Brussels (Janice Raymond, DOF 424-0330)	May 16-18/93
Banff Film Festival, Banff, Alberta (Don Robertson, TDC 424-4211)	June/93
Bluenose II East Coast US Sailings (Peter Giffin, TDC 424-4212)	June/93
Processed Food NEBS to New York (K. Tisdale, ITC 426-9957)	June/93

*Proposed

TIO: Technology Transfer Office
 DOF: NS Department of Fisheries
 DOA: NS Department of Agriculture
 WTC: World Trade Centre
 HCCC: Hungarian Canadian Chamber of Commerce
 TPF: Financial & Business Services Division (Ottawa)
 EAITC: External Affairs International Trade Canada

Taking the student out of the class and into the real world

On most trade missions, one person attends from each company involved. The costs involved and the uncertain nature of the benefit make it unlikely that a company would send more than one person. On a recent trade mission to Ireland, however, each company representative was accompanied by a Dalhousie University MBA student who had spent five weeks as part of a student team researching the market for the company before the mission began. This is one of seven such missions organized by the International Trade Centre (ITC). It is called Academic Partnering.

In a rare and valuable combination of efforts, business, academia and government are pooling their strengths and resources to prove that the whole can sometimes be larger than the sum of its parts. The International Trade Centre, the COOPERATION Agreement on Industrial Development Opportunities (IDOA), the companies, the students, and their universities have all participated and shared responsibility for making the program work.

The ITC has run several other Academic Partnering missions, experimenting with a variety of formats. In this instance, one student from each research team and one member of the company attended the mission. On other occasions, only the students or only the companies went on the mission. With the completion of this mission, an independent study has been commissioned to study the various models and choose one for future missions.

The Irish mission was organized around the software industry. Ireland has made a great effort to turn itself into the preferred window on the European Community for software companies. With a combination of government effort, tax incentives, and training grants, Ireland has succeeded in luring most of the world's pre-eminent software companies to its shores. A very partial list includes Microsoft, Borland, Lotus, IBM, Claris, and Digital.

Because of this huge market for software, Ireland was identified as the appropriate location for a software industry trade mission. Half a dozen companies were chosen to participate as well as a representative from the Software Industry Association of Nova Scotia (SIANS): Axes, Dymaxion, Fenix, Positronics, TGS, and Vertex.

Joe Steponaitis of Fenix Software is best known in Nova Scotia as the man who made "420 double O double O: it's ooey ooey good" possible for Pizza Hut. His ORDER-ROUTE program is a centralized order entry system which permits fast food companies to use

one central, well-advertised phone number for a variety of locations. In Europe, however, his research shows that Chinese restaurants may prove to be his best market.

He came to Ireland looking for a "reasonably compatible partner" to help him gain access to Europe. The Embassy, he says, lined up some good possibilities, but his eventual partner was found through an ad his Dalhousie student Greg Smythe ran in the Dublin Times. His partner, Catering and Technology Systems International, is an expert in the restaurant business, rather than the computer business. Steponaitis is sufficiently sold on the Irish market to have his next trip already planned. He will be conducting seminars on ORDER-ROUTE for prospective purchasers on the advice of his partner.

Les Lever's set of bridge programs is already selling well thanks to the Irish trade mission. Positronics is a relative newcomer to the Nova Scotia software industry and this was their first trade mission. They must be doing something right, however, because they came home with a "real go-getter" agent who is working very hard to sell their product.

Their agent also comes from outside the computer industry. Robert MacMachern runs a courier company called Interlink. But he's a committed bridge player and a neighbour of Irish bridge expert John O'Keefe; and he sees the potential of this unusual bridge program which has won endorsements from more than one of the most famous bridge players in the world. Using artificial intelligence, they have created a program which can learn bridge from the player and can be "developed" by expert players to reflect their own style. Positronics will, in fact, soon be coming out with programs that have been developed by well-known experts and will be marketed under their names.

Sales are already good, Lever says. He and his brother David have, he says, discovered a way to prevent the copying of their programs — the bane of all software developers. As a result they are able to entrust reproduction of the program to their Irish partner without losing control of the volume that can be produced.

Both Steponaitis and Lever praise the work done by their student assistants and the help they've received from both levels of government on this mission and on other occasions. "I think," Steponaitis says, "that both the federal and provincial governments have done an awful lot right as regards the software industry. They deserve a lot of credit."

contact: Sue Sweeney at 426-9416

Update on Trade Personnel

Since our last issue of Trade News there have been some important changes in the staff working for you in trade development on both the federal and provincial sides of government.

Don Robertson has joined the Nova Scotia Department of Economic Development as Manager Trade Development, largely in charge of arranging trade missions and shows to promote Nova Scotia to the rest of the world. **Marilyn Mullett** has become

Manager Trade Information, in charge, among other things, of this and future issues of *Trade News*.

At the International Trade Centre (ITC), **Robert (Bob) Russell** has replaced **Mike Whalen** and is Acting Senior Trade Commissioner. He remains Regional Executive Director of Industry Science and Technology Canada (ISTC). **Edward (Ed) Wang** has become the Manager and Trade Commissioner responsible for the day-to-day management of the ITC in Halifax.

The companies which participated in the mission are:

- Advance Laboratories Ltd.
- Cameron & Fraser Ltd.
- Comeau's Sea Foods Ltd.
- Daigle Wholesalers Ltd.
- Dover Mills Ltd.
- Harry Freeman & Son Ltd.
- Heritage Homes International Limited
- Ramsen Engineering Associates Ltd.
- I. H. Mathers & Son Ltd.
- Kings Produce Limited
- Ledwidge Lumber Co. Ltd.
- Maritime Paper Products Ltd.
- Prodale Paper Industries Inc.
- Tibbetts Paints Ltd.
- U. T. Technologies Ltd.

Nova Scotian companies make a success of island hopping

Trade missions are usually counted as successful if a few of the participants eventually do business with companies they met during the mission. For every company to return from a trade mission with new or increased business is almost unheard of — almost but not quite. When 15 Nova Scotian companies travelled to the small market of Iceland, the unusual happened.

Much of that success is undoubtedly the result of the hard work the companies put into the trip. More of it is surely due to the excellence of their products. But a great deal of that success is also due to the unusually precise preparation which went into this mission by Bud Clark, Trade Development Officer with the Nova Scotia Department of Economic Development, and Ms. Kristbjorg Agustsdottir, Assistant to the Honourary Canadian Consul General in Reykjavik, Iceland.

Clark had been involved, he says, in trade missions to more obvious markets. Usually either no orders emerged or orders were placed for more product than the Nova Scotian company could rationally handle. He decided to focus instead on smaller economies, in particular islands.

The first mission was to much neglected St. Pierre and Miquelon. He discovered that almost none of the people exporting to these islands had ever been there. He remedied that and expects to see very exciting results when the next set of export figures come out. He's confident they will be up. One company alone, Antigonish Abattoir increased their business from zero to \$3 million.

Iceland was the next island. And the success here proved to be spectacular. Fifteen companies attended the trade mission which was partly funded by the COOPERATION Agreement on Industrial Development Opportunities (IDOA) which is co-funded by the federal and provincial governments on a 50-50 basis. Many of them had little or no experience with exporting outside of Canada and yet all of them left Iceland with new customers.

Prodale Paper Industries Inc., of Stellarton, was one of those successful companies. Vice President Lou D'Alessandro had already found two customers for his toilet paper in Iceland before he left Nova Scotia, thanks to leads Bud Clark passed on after an exploratory trip to Iceland in the spring. He decided to go on the mission anyway in order to actually see the market and gain a better understanding of what else was available there and a truer appreciation for the standing of his customers.

His advantage in the Iceland market, D'Alessandro says, depends largely on price. With the cheap Canadian dollar he can be very competitive with European suppliers as well as providing a better product. European papers, he says, tend not to be embossed or two-ply. They also rely on a larger paper core to make the rolls appear larger. Because 90 percent of the population speaks English, he has been able to sell with his original Canadian packaging too.

The last element that made the project possible for Prodale was the monthly sailings of Jökjar Limited from Sheet Harbour. Their ships bring fish from Iceland for processing and now take toilet paper back. Jökjar is clearly interested in increasing their business here and even hosted a reception for the mission and interested Icelandic companies in Reykjavik. Another company, Eimskip, sails monthly from Halifax.

The Department of Economic Development's reception, Clark says, turned into a Who's Who of Icelandic business with 125 of the most prominent companies turning out for a banquet of Nova Scotia fish and seafood. They pride themselves, he says, on their smoked salmon but he was determined to show them ours is better. The lobster, oysters and scallops, cooked to recipes provided by the Prince George's award winning chef Steve Huston, were particularly appreciated.

The Icelandic market, Clark warns, is not wide open. There are 25 percent duties on all goods entering and some items — dairy products, meat products, Christmas trees and peat moss for example — are not allowed into Iceland. But as an island nation with a severe climate, Iceland has to import pretty much everything it uses. The market is definitely there and Nova Scotians have shown they can get a piece of it.

contact: Bud Clark at 424-8284

TRADE NEWS

Trade News is a joint quarterly publication of the Nova Scotia Department of Economic Development, the International Trade Centre of Industry, Science and Technology Canada, and the Atlantic Canada Opportunities Agency. Chief Writer is Bette Tetrault. To obtain a free subscription or to amend your mailing address, please contact:

Judy Snowdon
Nova Scotia Department
of Economic Development
World Trade and Convention Centre
1800 Argyle Street, Box 519
Halifax, Nova Scotia B3J 2R7
Telephone: 424-6042 Fax: 424-5739

Your comments are welcome.



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TRADE NEWS

Trade Promotion Activities in Nova Scotia

Taking better care of business

Federal and provincial governments concerned with trade are joining forces to prove the power of synergy and the virtue of togetherness. The Nova Scotia Department of Economic Development, the International Trade Centre representing Industry, Science and Technology Canada (ISTC) and External Affairs and International Trade Canada (EAITC), and the Atlantic Canada Opportunities Agency (ACOA) are discussing ways to streamline their operations in order to deliver better, simpler service to their clients.

Recognizing that most businesses are totally indifferent to what government level they get assistance from (as long as they get that assistance), the three departments are finding ways to eliminate unnecessary distinctions between themselves and to avoid duplications of service that result in worse service and wasted money.

One of the results of this cooperative approach is the changed format for TRADE NEWS (see back page). Another is a new application form, which will be available very soon, that can be used to apply to any trade program from either the federal or provincial governments.

Also soon to appear is a "road map" to government services, which will list all federal and provincial trade programs and services and eliminate the need for half a dozen brochures. When it is available it will be mailed to TRADE NEWS subscribers with a regular issue. Eventually similar programs will be consolidated and rationalized, furthering the goal of a simple, sensible, and single delivery mechanism.

Bill Smith, project manager with the Investment Promotion section of ACOA, believes governments need "centralized behaviour rather than centralized structure." More important even than streamlining programs and offices is streamlining the government's approach to helping business. The emphasis must always be on finding the right solution for

customers (businesses) without burying them in red tape or passing them back and forth between conflicting, competing government departments. Businesses frequently talk about their "bottom line"; and for government the bottom line is the best interest of the private sector: helping businesses get on with business.

Contact: Bill Smith at 426-2508.

Andrew Hare takes over Trade Development Centre



Andrew H. Hare, C.A., has been appointed Director of the Trade Development Centre in the Nova Scotia Department of Economic Development. Mr. Hare replaces Mauritz Erhard who was appointed Director of Investment Promotion. Educated as

a chartered accountant and economist, Mr. Hare has worked in a wide variety of positions with Industrial Estates Limited and the Department of Economic Development since 1979.

Mr. Hare describes his former position as Director of the Project Analysis Branch, within the Department of Economic Development, as head of "special projects." That title covered a multitude of important investment projects of an unusual or complicated nature.

One of those projects was negotiating with CN to procure double-stacked container service for the Port of Halifax. The success of those negotiations will not only help improve the port's efficiency to enable it to compete with other East Coast ports, it also provided a bonus in the form of a large order for double-stacked rail cars from Trenton Works. "The ability of the Port of Halifax to compete effectively will translate into trade opportunities for the whole Atlantic Region," said Mr. Hare.

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Andrew Hare takes over ... (page 1)

He is also extremely optimistic about the future of the trading sector in Nova Scotia. "Increasing exports creates jobs, and the new spirit of cooperation among the Atlantic Provinces and with ACOA and ISTC will certainly increase the opportunity for exposure to global markets for our existing and potential exporters," suggests the new Director of the Trade Development Centre.

A resident of Hubbards, Halifax County, Mr. Hare sits on the Shatford Memorial Trust Advisory Committee—a group that provides

scholarships for about 80 Hubbards' students at universities and community colleges around the country.

"I'm pleased that ACOA and ISTC are joining the Department of Economic Development as co-publishers of *TRADE NEWS*," says Mr. Hare, adding that this new partnership between the provincial and federal governments should provide even more trade development information and coordination to Nova Scotian companies.

Mr. Hare can be reached at 424-3672.

ExportVision'92 brings export home to Nova Scotia

Once a year, many of Canada's trade commissioners are brought back home from their more exotic locations to revitalize their acquaintance with Canada, learn more about the businesses they represent, and give Canadian business people a chance to benefit from their instantly acquired knowledge without making an international telephone call or renewing their passports.

External Affairs has employed different mechanisms to create this dialogue. For several years they brought Marketplace, a travelling show of trade commissioners, to urban centres around the country, allowing business people to schedule one-on-one interviews with trade commissioners otherwise stationed at the four corners of the globe. These interviews were highly regarded by companies, which used them as brainstorming sessions to search for business opportunities in distant locales or as first steps in a concerted attack on a particular market.

In a new approach, this year the International Trade Centre in Halifax organized a trio of seminars on topics designed to appeal to a wide range of present and potential exporters. ExportVision'92 was launched in Nova Scotia on October 2 at the World Trade Centre.

All three workshops were followed by a luncheon at which Bernard Valcourt, Minister of Employment and Immigration, was the keynote speaker. The afternoon was devoted to individual interviews with trade commissioners and other trade experts or to detailed analysis of the North American Free Trade Agreement with David

Devine and Bill Pound, members of the team of negotiators for the agreement.

For novice or non-exporters there was a seminar on some of the basics of exporting: pricing, currency and payment terms, financing, legalities, documentation, regulations, and trade shows. Technicalities were enlivened with three local export success stories: Canadian Fishery Consultants, Focal Technologies, and Ocean Case Company.

The province's food processors could attend a workshop on "How to Identify and Work with Food Brokers and Distributors in the United States." The value and importance of brokers and distributors were discussed, as were the many intricate pricing arrangements that can cut deeply into the unwary company's profit margin.

Six major considerations for the technological community were discussed at a seminar entitled: "Positioning Yourself for Successful Technology Commercialization." Personnel considerations, technology/product, markets, economics and business, target companies, and entrepreneurial success factors were identified as the guiding lights to successful commercialization.

More than 175 companies participated in the Halifax launch of ExportVision'92. They appreciate the importance of exporting in the success of companies in today's global market, particularly for companies with a local market of less than one million people. Many of them will return for other ExportVision'92 events, which will be held in November and February.

Contact: Michael Whalen at 426-6125.

Nova Scotian companies find trade commissioners ready, willing and able

Many business people can conceive of only one sum from the addition of "government" and "trade"—funding programs. But for many others the most useful product the government has to offer isn't money, but information.

Two Nova Scotian companies with very different products to sell have found their exporting made much easier by the Canadian Trade Commissioners Service, a network of hundreds of skilled professionals in 120 countries and cities around the world.

For Lorne Rozovsky, principal in Lefar Health Associates, perhaps the most valuable service the trade commissioners have afforded him is talking him out of trying some markets. He remembers Mike Whalen, Senior Trade Commissioner and Director of the International Trade Centre in Halifax, sitting him down and convincing him not to try the South African market. "Do you realize," he said, "just how far away South Africa is?" A two-day air journey adds considerably to the expense and difficulty of trying to close a deal, when, Rozovsky jokes, "maybe Philadelphia will do just as well!"

On another occasion, the trade commissioners were helpful in completing a deal in Israel. He used the commissioners there to check up on the bona fides of a potential client. When he eventually went to Tel Aviv to complete the deal, "the lady at the Embassy was very helpful in providing background information."

Lefar, Rozovsky says, is a small company—a consultant on risk and quality management for health care agencies and hospitals—and every contract takes a great deal of effort. A trade commissioner's advice that "helps eliminate goose-chasing we might have gone on is more useful than help in getting business."

Paul Cugno, President and CEO of KB Electronics, waxes enthusiastically when asked all about the Trade Commissioners Service. His experience with the Embassy in Riyadh, Saudi Arabia, left him "proud to be a Canadian." They helped with arranging meetings, transportation, and translation on his initial visit to the Middle East.

That visit, which he hopes will eventually translate into substantial business with the oil-rich kingdom, was part of a sponsored trade mission by Industry Science and Technology Canada. It was, he says, "a learning experience."

"If you know anything about doing business in the Middle East," he admits ruefully, "you know nothing will happen quickly." He plans to gradually establish a presence there and work on getting his power conversion equipment approved by the military there. The potential is enormous and worth the wait.

Cugno welcomes the opportunity, he says, to tell Canadians to "stop complaining about the government and find out what is available. Let's let them know who we are and what we need and maybe they can help us. Let's stop bashing others for our own problems."

The Trade Commissioner Service is ready and waiting to do their part.

Contact: Michael Whalen at 426-6125.

Port of Halifax handles 3 million tonnes of containers

While the Far East is the largest current market for goods passing through Halifax's container ports, the fastest growing areas are Atlantic Canada and the New England states. In 1991 more than 500,000 metric tonnes travelled through the port to the Far East and just less than 250,000 metric tonnes arrived from there.

The top individual product exported by container through Halterm and Ceres was asbestos (198,081 tonnes), but wood products in general totalled 262,183 and various sorts of paper totalled 160,329. Peat was fourth on the top export list at 72,796 tonnes.

Food was far and away the largest import at more than 198,233 tonnes and wine was the largest single element at 46,609 tonnes. Rubber imports, both synthetic and natural, totalled 38,900 tonnes. Chemicals, building supplies, machinery, and car parts were other big items.

In total 3,065,765 tonnes of container goods passed through the Port of Halifax in 1991.

Figures were supplied by the Port of Halifax. Contact: Cheryl Bidgood at 429-1400.

Did you know?

Patience and dependability are the keys to the Russian door

Events of the last few years have focused world attention on the former USSR, now fragmented into the Commonwealth of Independent States (CIS) and a cluster of independent states. Through the fog of current disorganization and poverty, many enterprising business people can clearly see the potential of this resource-rich nation as a market of the future. Herb Ripley, an independent consultant who has made several trips to Russia in the past two years, sees extraordinary opportunity in Europe's eastern colossus.

Ripley knows very well the difficulties of doing business in modern Russia. "The biggest problem," he admits, "is getting paid." With a rouble next door to worthless and getting worse every day, he believes the best way to ensure getting paid is to access the funds being made available by financial institutions outside Russia, like the European Bank for Reconstruction and Development and the World Bank. To qualify for funding, one needs a Russian partner, and a great deal of patience.

"Get close to Russians now," he advises, "while times are hard. When times improve, they will want to deal with the people they already know."

"Many Russians," Ripley warns, "are very naive and trusting. They are tremendously eager to do business. But they are also gun shy. A lot of people have been knocking on their door with proposals. If you say you will do something for them, then you must follow through. Then other opportunities will present themselves to you."

After two years of knocking on Russia's door, Ripley says his first project will get off the ground later this fall. With his partners UMA Engineering and Nova Airborne Technologies, he will have the opportunity to demonstrate the worth of Canadian remote-sensing equipment in a planned comparison with Russian equipment on a northern river system. If the Nova Scotian equipment proves superior, the possibilities are enormous.

Trading with Russia is a long road, Ripley says. Only the patient will survive.

The Russian Federation: An Economy

Area: 17,075,400 sq. km.

Population: 147,386,000 (1989)

Capital: Moscow (pop. 9 million)

Major Cities: St. Petersburg (pop. 5 million)
Novosibirsk (pop. 1.4 million)
Samara (Kuybyshev) (pop. 1.25 million)
Yekaterinburg (Sverdlovsk) (pop. 1.3 million)
Chelyabinsk (pop. 1.1 million)
Omsk (pop. 1.1 million)
Perm (pop. 1.05 million)

Canadian Embassy:

Starokonyushenny Pereulok 23
Moscow 121002 Russia

Cable: CANAD MOSCOW
Tel: (011-7-095)

241-5070/241-5882/230-2156
Telex: (Destination code 64) 413401
(413401 DMCAN SU)

Fax: (011-7-095) 241-4400;
241-9034 (Commercial)

Time Difference: + 6 hours

Mineral Resources:

Coal (*half the world's reserves*), crude oil, natural gas, peat, apatite, phosphorites, potassium salts, iron ores, gold (*one-fifth of world's known deposits*), diamonds, rare metals, copper, lead, tin, bauxite, manganese, magnesium, silver, molybdenum, graphite, nickel, uranium, among others.

Trade: Exports (Jan–Sept 1991):
US\$ 27.5 billion
Imports (Jan–Sept 1991):
US\$ 17.5 billion
CIS Exports to Canada (1991):
\$233 billion
CIS Imports from Canada (1991):
\$1.464 billion

Hard Currency Restrictions:

As of January 1992, with some exceptions, commercial transactions within the Russian Federation can no longer be carried out in hard currency.

Profile

Privatization:

At the beginning of January 1992, it was announced that foreign investors would be permitted to buy shares in privatized Russian enterprises and acquire full ownership of some loss-making Russian firms.

Property:

Foreign investors may not own land; they may obtain leases of up to 99 years.

Foreign Investment:

In July 1991, Russian foreign investment legislation was passed permitting the establishment of joint ventures and wholly foreign-owned subsidiaries. Enterprises must register with the Russian Ministry of Finance, and foreign investment over R100 million must receive approval from the Russian Council of Ministers. In 1989 Canada signed a Foreign Investment Protection Agreement (FIPA) with the USSR, which was ratified in 1991. The Russian Federation, as the continuing state of the USSR, remains obligated to the terms of the FIPA treaty.

Enterprises with foreign participation in excess of 30 per cent can obtain a two-year tax holiday (after first reporting profits), as long as the enterprise is engaged in material production not extraction. They may also export products of their own manufacture as well as import components they need without requiring an export licence.

Taxation:

For companies with foreign participation in excess of 30 per cent, a corporate tax of 25 per cent applies; others must pay 35 per cent. A withholding tax of 15 per cent applies to all dividends, and 20 per cent to licence fees and royalties repatriated to a foreign investor (in most cases), payable in the currency of repatriation. The 1985 Double Taxation Avoidance Treaty between Canada and the USSR is still in effect. Since December 6, 1991, there has been a 28 per cent value-added tax. A 40 per cent tax is charged on the export of strategic goods such as oil and natural gas. In addition, there is a 20 per cent tax on hard currency earnings by Russian companies.

Major Canadian Opportunities:

At the moment, the following sectors appear to offer the greatest prospects for Canadian companies: oil and gas exploration and production; agro-food production, storage and processing; transportation, distribution and other services; forest products harvesting and processing; mining and metallurgy; construction and building materials, especially under cold weather and rugged conditions; telecommunications in urban, rural, remote, and international environments; tourist and business services such as hotels, restaurants, and professional services; aerospace; and environmental protection.

Financial Information:

The London-based European Bank for Reconstruction and Development (EBRD) is a financial lending institution involving Canada and Russia along with other countries. The EBRD delivers both development banking and merchant finance/investment functions. The Export Development Corporation (EDC) has also established a \$100 million line of credit for capital goods and services for Russia.

Canadian-USSR Business Council:

The Canadian-USSR Business Council (CUBC), a three-year-old group with offices in Toronto and Moscow, assists its over 120 fee-paying corporate members to better understand and develop the Russian market. It publishes a regular bulletin.

Source:

The above material came from a report published by the Central and Eastern Europe Trade Development Division of External Affairs and International Trade Canada.

Contact: Kim Lambert at 426-7540.

Seminars, Missions & Trade Shows

Promoted by the Nova Scotia Department of Economic Development and Industry, Science and Technology Canada (International Trade Centre)

The Trade Development Centre of the Department of Economic Development (TDC) and the International Trade Centre of Industry, Science and Technology Canada (ITC) regularly promote trade shows, seminars, and trade missions in North America and throughout the world that are deemed to provide support for potential export opportunities for Nova Scotia goods and services. These events may qualify for funding support. Consult with the appropriate department for further information about financial assistance.

Doing Business in Japan Seminar (Maurice Larkin, TDC 424-5316)	November 5/92
Export Outreach Workshop in Yarmouth (Ed Wang, ITC 426-6040)	November 5/92
Eastern European Mission (Moscow/Prague) (Peter Giffin, TDC 424-4212)	November 13-25/92
National Services Month Conference (Susan Sweeney, ITC 426-9416)	November 17/92
China/Taiwan/Hong Kong Trade Seminar, Halifax (Ed Wang, ITC 426-6040)	November 18, 1992
Seafood Products Mission to Austria, Belgium, Germany (Kirsten Tisdale-Zed, ITC 426-9957)	November 21-27 92
Environmental Trade Mission to Washington USA (Marjorie Shaw, ITC 426-6658)	November 30-December 4/92
Marine Technology Show, Washington (reconnaissance)	November/92
Manufacturers' Reps Mission from Taiwan (Ed Wang, ITC 426-6040)	November/92
Trade Mission to Mexico* (Andy Hare, TDC 424-3672)	November/92
Offshore Industries Mission to SE Asia (Ed Wang, ITC 426-6040)	December 1-11/92
Customs Trade Seminar, Halifax (Michael Whalen, ITC 426-6125)	December 9, 1992
Christmas Tree Promotion, Washington USA (Ken McCarthy, TDC 424-4213)	December 10/92
Trade Mission to Maine (Marilyn Mullett, TDC 424-8283)	December/92
Christmas Tree Promotion, Boston USA (Bob Baillie, 617-262-7677)	December/92
Atlanta Gift Show, Atlanta (Peter Giffin, TDC 424-4212)	January 6-13/93
Let's Trade with New York Workshop, Halifax (Michael Whalen, ITC 426-6125)	January 12/93
Seafood Mission to the Nordic Countries (Kirsten Tisdale-Zed, ITC 426-9957)	January 18-22/93
Services NEBS (New Exporters to Border States) to Detroit (Susan Sweeney, ITC 426-9416)	January/93
Atlantic Craft Trade Show, Halifax (Peter Giffin, TDC 424-4212)	February 7-9/93
Food NEBS to Boston (Kirsten Tisdale-Zed, ITC 426-9957)	February 8-11/93
Canadian Food and Beverage Show, Toronto (Ken McCarthy, TDC 424-4213)	February 21-23/93
Fashion Apparel Collections Exhibition, Montreal (Peter Giffin, TDC 424-4212)	February 21-23/93
The National Gift Show, Toronto (Peter Giffin, TDC 424-4212)	February 21-24/93
Seminar: The Mexican Market, Opportunities for Canadian Firms (Marjorie Shaw, ITC 426-6658)	February/93
Building Materials-Technology Transfer NEBS to Boston (Marjorie Shaw, ITC 426-6658)	February/93
Saint Mary's University MBA Study Mission to Taiwan and Korea (Susan Sweeney, ITC 426-9416)	February/93
Trade Mission to Hong Kong & Taiwan* (Maurice Larkin, TDC 424-5316)	February/93
Atlantic Horticulture Show* (Karin Valle-Cavero, TDC 424-4214)	February/93

Seminars, Missions & Trade Shows *(continued)*

Seafood NEBS to the Boston Seafood Show (Kirsten Tisdale-Zed, ITC 426-9957)	March 15-18/93
Boston Gift Show, Boston (Peter Giffin, TDC 424-4212)	March 20-24/93
Environment Expo '93, Birmingham, England (Peter Giffin, TDC 424-4212)	March 23-25/93
Market Planning for Environmental Firms Workshop, Halifax (Marjorie Shaw, ITC 426-6658)	March 29-30/93
Trade Mission to IMDEX '93, England* (defense) (Peter Giffin, TDC 424-4212)	March 31-April 2/93
Canadian Marketing Expansion Program, Vancouver* (Peter Giffin, TDC 424-4212)	March/93

Space Industry Forum in Atlantic Canada, Halifax (Marilyn Hutchings, TDC 424-6044)	May 10-12/93
British Craft Fair, Harrogate, England* (Peter Giffin, TDC 424-4212)	May/93

* *Proposed*

Dynamic dozen to tackle sales and marketing in year-long program

Marketing and sales is the area most frequently singled out as the weakest link in the management of Nova Scotian companies. All too often, companies seem to expect sales to arrive at their front doors magically: the result of word of mouth advertising and self-perceived excellence. When they don't, the company goes bankrupt and the entrepreneur retires angry and confused, convinced the problem was a competitor's machinations or government's indifference.

But the fault lies within: within the company's management which put little or no emphasis on sales and marketing and abandoned even that little at the first sign of difficulty; within a management which perceived that engineers and accountants must have degrees and formal qualifications but believed anyone could do sales, even engineers and accountants; within a corporate culture which assigned sales people to the lowest ranks both in prestige and financial remuneration.

Perceiving this problem, the Canada-Nova Scotia COOPERATION Agreement on Industrial Development Opportunities has engaged Solution Finders Inc., of Lower Sackville, to conduct an intensive, year-long training program in marketing and sales for a dozen Nova Scotian companies.

Unlike the usual quick-fix marketing seminar, this program will involve companies in more than 90 hours of classroom training (plus homework assignments) and six months of monitoring and review from Solutions Finders. After a full year of focusing on sales and marketing, companies will not only have the skills and knowledge to enable them to market effectively, they will understand the importance of marketing and the opportunities competent marketing can open up to alert companies.

The overall plan has three phases: a breakthrough motivational seminar to help identify likely companies and create energy; a detailed series of workshops to create the necessary sales and planning skills, culminating in a marketing plan; and a six-month long period of hand-holding to ensure that the marketing plan is carried out adeptly.

Phase I took place on September 24 at a seminar run by noted Canadian marketer Dan Aronchick: "Breaking Through Traditional Sales and Marketing Thinking." The selection for phase II is now under way.

A year from now, 12 Nova Scotian companies will be better equipped to compete. That dynamic dozen will, in turn, inspire other companies to readjust their thinking, to break through to effective sales and marketing.

Contact: Andrew Hare at 424-3672.

COOPERATION *Update*

TRADE NEWS' changes are more than cosmetic

The fall 1992 issue of TRADE NEWS inaugurates a new era in federal and provincial cooperation. Beginning with this issue, the quarterly magazine will be produced jointly by the federal partners International Trade Centre representing Industry, Science and Technology Canada (ISTC) and External Affairs and International Trade Canada (EAITC), the Atlantic Canada Opportunities Agency (ACOA), and the Nova Scotia Department of Economic Development. The editorial content will reflect this new teamwork approach.

Beginning also with this issue, Bette Tetreault has joined the team at TRADE NEWS as chief writer. Ms. Tetreault brings years of experience of the Nova Scotia business environment to our publication having worked for several economic departments, both federal and provincial, and having been both writer and editor of the Nova Scotia Business Journal for more than four years. As a freelance writer she has written for many local, national, and international journals including Station Reporter, Trade and Commerce, Aviation and Aerospace, and Offshore Oil International.

We hope our readers will find these changes result in a better, more useful magazine.

Contact: Judy Snowdon at 424-6042.

TRADE NEWS

Trade News is a joint quarterly publication of the Nova Scotia Department of Economic Development, the International Trade Centre of Industry, Science and Technology Canada, and the Atlantic Canada Opportunities Agency. To obtain a free subscription or to amend your mailing address, please contact:

Judy Snowdon
Nova Scotia Department
of Economic Development
World Trade and Convention Centre
1800 Argyle Street, Box 519
Halifax, Nova Scotia B3J 2R7
Telephone: 424-6042 Fax: 424-5739

Your comments are welcome.

Trade with Arkansas, Texas, Louisiana, and Oklahoma made easier

Are you interested in expanding your business into the southwestern United States? Well, Southwestern Electric Power Company (SWEPCO) is offering its services to help you do just that. The sunbelt has been an area of strong growth for the past decade and is expected to continue to lead the US for the foreseeable future.

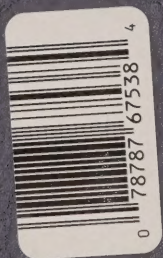
SWEPCO services Arkansas, Texas, Louisiana, and Oklahoma. Through linkages it can also access all member companies of the Central Southwest Group (CSW), which is the largest power utility in the USA. It is willing to help Nova Scotian companies (at the moment, just Nova Scotian companies) find agents, distributors, joint venture partners, and sites for distribution centres.

The utility is also willing to help coordinate marketing trips, should you wish to make a visit to inspect a site.

All this help is offered without charge. Peter L. Giffin, with the province's Trade Development Centre, suggests that SWEPCO expects to be repaid in kind for its efforts with similar help from the province for its clients interested in doing business in Nova Scotia. So the province will ultimately pay for SWEPCO's help, not the companies using the service.

If you're interested in using this service you can call either Peter Giffin, Nova Scotia Department of Economic Development, at 424-4212, Clay Hathaway, with the Economic Development Department at SWEPCO at 318-222-2141, or their Canadian representative Paul Daynes at 604-988-2830.





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